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A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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CONFIDENTIAL  
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Economic Conditions  
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(with special reference to labour).

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CANADIAN LABOUR MARKET, February, 1949

## CANADIAN LABOUR MARKET

Research and Statistics Branch

Department of Labour

authorized by

Hon. Humphrey Mitchell, Minister

and

Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

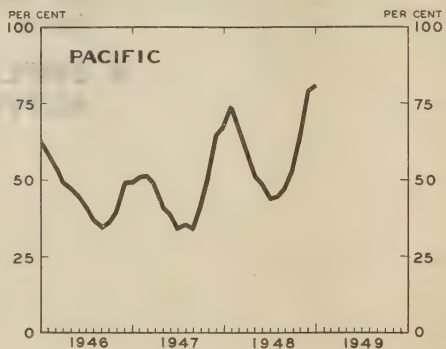
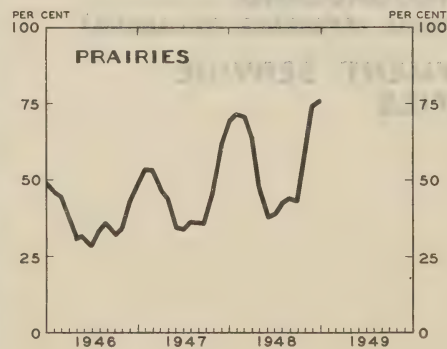
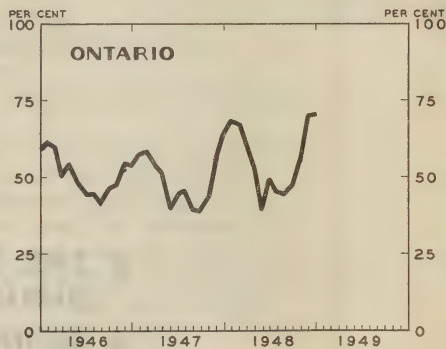
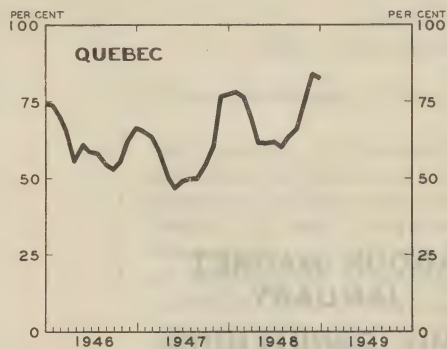
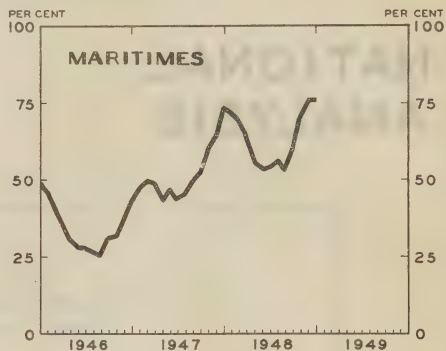
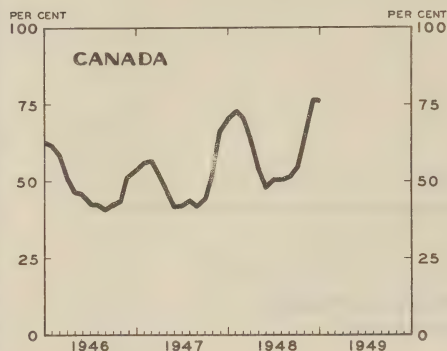
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.



# **NATIONAL ANALYSIS**

- ▲ THE LABOUR MARKET  
DURING JANUARY**
- ▲ ECONOMIC CONDITIONS  
IN NEWFOUNDLAND  
(WITH SPECIAL REFERENCE TO LABOUR)**
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES**

# PROPORTION OF UNPLACED APPLICANTS CLAIMING UNEMPLOYMENT INSURANCE BENEFITS



# THE LABOUR MARKET DURING JANUARY

To a large extent, employment conditions during January and early February were the product of unusual weather conditions. In the West, snow and cold weather hampered industry; in the East, because of the mild winter, much of the work usually associated with heavy snows has not materialized. As a result, seasonal unemployment was heavier than usual. Basically, the employment outlook continues to be favourable.

There were strong indications that the seasonal rise in unemployment had terminated by the end of February. The rise in the number of unplaced applicants registered at National Employment Service offices across the country slackened considerably during the first part of the month, and the number of new claims for unemployment insurance benefits began to fall off correspondingly.

Unplaced applicants at employment offices numbered about 265,000 by the middle of February. Although this was about 65,000 higher than at the same time in 1948 and even slightly higher than at the same date in 1946, the difference was largely due to recent expansions in the coverage of the Unemployment Insurance Act. To claim unemployment insurance benefits, workers must first register for employment.

The rapid growth in the labour force since 1946 has also been a factor in the increased number of applicants at Employment Offices. Since early 1946, about 350,000 additional workers have entered the labour force. Thus, whereas the 260,000 unplaced applicants of February 15, 1946, amounted to 5.7 per cent of the labour force at that time, the current number 265,000 applicants only constitute 5.4 per cent of the present labour force. In 1948 at this time, applicants amounted to 4.2 per cent of the labour force.

A much higher proportion of unplaced applicants are currently claiming unemployment insurance benefits than in any previous postwar year. At the end of January, 1949, 77 per cent of all those registered at Employment Offices were active claimants as compared with 70 per cent in 1948 at the same date, 54 per cent in 1947, and 63 per cent in 1946. The low percentage in 1947 is due to the fact that many veterans were receiving D.V.A. out-of-work allowances during that year. If those receiving these out-of-work allowances are included, these percentages become: 1946, 72; 1947, 71; 1948, 72; 1949, 77.

About 70 per cent of those claiming unemployment insurance benefits during 1948 received them. This percentage varies considerably during the year, reaching its highest point during the winter months when seasonal unemployment exists. At this time, about 80 per cent of those who claim benefits eventually receive them.



More of the unplaced applicants in Quebec and British Columbia are claiming unemployment insurance benefits than in any other region. These are the two regions where seasonal unemployment has been relatively heavy during this winter. In Quebec, 82 per cent of all unplaced applicants were claiming unemployment insurance at the first of February; the similar percentage for British Columbia was 80. In the other regions, the current percentage varied from 70 in Ontario to 76 in the Prairies.

About 70 per cent of the total labour force in Canada was covered by unemployment insurance at the end of 1948. The percentage varied considerably, however, from region to region. In British Columbia, 84 per cent of the labour force is covered; the coverage of unemployment insurance is largest in this region, of course, because of the recent extension of the Act to include the West coast logging industry. Nowwhere else in Canada are logging workers covered by unemployment insurance.

About 81 per cent of all workers in the highly industrialized Ontario region are covered by unemployment insurance. In Quebec also, 71 per cent of the workers are covered, whereas in the Maritimes and Prairies the percentage drops to 58 and 51 respectively. The primary industries are relatively important in the last two regions, and these are not covered by the Act.

The coverage of unemployment insurance in Canada has increased considerably over the past three years. The following table shows the percentage of the total labour force that is covered in each region since 1946.

Table I—Percentage of Total Labour Force Covered by Unemployment Insurance  
1946 to 1948

| R e g i o n           | November<br>1946 | November<br>1947 | November<br>1948 |
|-----------------------|------------------|------------------|------------------|
| Maritimes.....        | 51               | 54               | 58               |
| Quebec.....           | 62               | 64               | 71               |
| Ontario.....          | 69               | 75               | 81               |
| Prairies.....         | 43               | 45               | 51               |
| British Columbia..... | 76               | 76               | 84               |
| CANADA.....           | 61               | 64               | 70               |

SELECTED LABOUR MARKET TRENDS

| Indicator                                      | Latest Data |             | Percentage Change   |                           |                                              |
|------------------------------------------------|-------------|-------------|---------------------|---------------------------|----------------------------------------------|
|                                                | Month       | Amount      | From Previous Month | From Same Month Last Year | To Date This Year From Same Period Last Year |
| Immigration.....                               | Dec.        | 10,000      | -10.2               | +36.2                     | +96.2                                        |
| Civilian Labour Force.....                     | Nov. 20     | 4,964,000   | - 2.8               | + 0.6                     | + 1.5                                        |
| Total Employment .....                         | Nov. 20     | 4,858,000   | - 3.7               | + 0.2                     | + 1.4                                        |
| Total Unemployment .....                       | Nov. 20     | 106,000     | +58.2               | +21.8                     | + 4.8                                        |
| Industrial Employment (a).                     | Dec. 1      | 2,206,000   | + 0.4               | + 2.8                     | + 5.0                                        |
| Unplaced Applicants (b)...                     | Feb. 1      | 257,000     | +37.6               | +37.5                     | +37.5                                        |
| Live Claims.....                               | Jan. 1      | 144,000     | +72.1               | +52.4                     | +25.8                                        |
| Labour Income.....                             | Nov.        | 633,000,000 | - 0.6               | +11.6                     | +14.6                                        |
| Average Weekly Earnings (c).                   | Dec. 1      | \$41.43     | + 0.7               | +11.3                     | +13.1                                        |
| Average Hourly Earnings (c)                    | Dec. 1      | \$ .96      | + 0.4               | +12.0                     | +13.8                                        |
| Real Weekly Earnings (d)<br>Av. 1946-100 ..... | Dec. 1      | 106.6       | + 1.0               | + 2.2                     | - 1.1                                        |
| Average Weekly Hours (c)..<br>Dec. 1           | Dec. 1      | 43.2        | + 0.2               | - 0.7                     | - 0.6                                        |
| Cost of Living<br>Av. 1935-39-100 .....        | Jan. 1      | 159.6       | + 0.4               | + 7.6                     | +14.4                                        |
| Man-Working Days Lost<br>by Strikes.....       | Jan.        | 10,000      | -48.8               | -92.9                     | -62.5                                        |
| Industrial Production<br>Av. 1935-39-100 ..... | Dec.        | 184.9       | - 0.2               | + 3.0                     | + 3.3                                        |

- (a) Based on firms of 15 or more workers, in the nine leading industries.  
 (b) Registered with National Employment Service Offices.  
 (c) Wage earners in manufacturing only.  
 (d) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.



FISHING



LOGGING



PULP AND PAPER



MINING



AGRICULTURE

# MAJOR INDUSTRIES OF NEWFOUNDLAND





# ECONOMIC CONDITIONS IN NEWFOUNDLAND (WITH SPECIAL REFERENCE TO LABOUR)

Confederation of Newfoundland with Canada will bring a group of almost 100,000 workers into the Canadian Labour Force. The characteristics and problems of this group are peculiar to the economy of the island. The following article appraises current economic conditions in Newfoundland as they affect labour and outlines some of the outstanding characteristics of the economy.

Newfoundland, like Canada, has been experiencing prosperous economic conditions during recent years. Production and trade have expanded greatly since the beginning of the decade; employment has reached an all-time high; and income per worker exceeds all previous levels.

The wartime stimulus to the basic industries on the island, including the construction of large defence bases by the British, Canadian and United States' governments, has been the main factor contributing to these improved economic conditions. This was stimulus and its aftermath continue to have a buoyant effect on the Newfoundland economy.

While the general outlook in the immediate future is optimistic, there are a few indications of less favourable economic conditions in some areas. These include a lower than usual fish catch during 1948; difficulties arising out of trade with countries in the "sterling area"; and some unsettled problems associated with the terms of confederation with Canada. Each of these circumstances introduces uncertainties for some segments, at least, of the population.

There are no reliable current statistics on the total number of persons gainfully employed in Newfoundland. On the basis of information available there are, it is estimated, around 100,000 persons in the working force, distributed among the principal industries as in Table I:

Table I - Distribution by Industry of Gainfully  
Employed in Newfoundland

| Industry                  | Number  |
|---------------------------|---------|
| Fishing.....              | 30,000  |
| Fish processing.....      | 3,000   |
| Logging.....              | 10,000  |
| Pulp and Paper Mills..... | 3,000   |
| Agriculture.....          | 4,000   |
| Mining.....               | 3,500   |
| Other Manufacturing.....  | 5,000   |
| Transportation.....       | 9,500   |
| Government Service.....   | 5,000   |
| Others.....               | 27,000  |
| Total.....                | 100,000 |

Before reviewing current conditions in each of these industries, mainly from the standpoint of labour, some general observations will be made with respect to prices, wages and income.

### Prices, Wages and Income

With expanded purchasing power and shortages of goods and services throughout the war and post-war years, prices have risen sharply since pre-war years. Based on available information, it appears that the cost of living in Newfoundland has risen by at least 85 per cent since 1938, compared with just under 60 per cent in Canada over the same period. Both of these indexes include rent. Taking food and clothing prices alone, the increase in Newfoundland it is estimated, has been well over 100 per cent since 1938.

To provide a more direct comparison of current Newfoundland and Canadian prices and of changes since 1938, a few food items have been selected for St. John's and Halifax. In almost every case the St. John's price is higher, sometimes by a substantial amount. The dependence of Newfoundland on imports from either Canada or the United States for several of these items explains, of course, a major part of the difference.

Table 2 - A Comparison of Current Newfoundland and Canadian Food Prices and of Changes since 1938

| Food Item               | 1938 Prices <sup>x</sup> |         | 1948 Prices <sup>x</sup> |         | Increase<br>1938 to 1948 |          |
|-------------------------|--------------------------|---------|--------------------------|---------|--------------------------|----------|
|                         | St.<br>John's            | Halifax | St.<br>John's            | Halifax | St.<br>John's            | Halifax  |
| Bacon, per lb.          | ¢<br>35                  | ¢<br>33 | ¢<br>81                  | ¢<br>68 | %<br>131                 | %<br>106 |
| Sugar, "                | 6                        | 6       | 14                       | 9       | 133                      | 50       |
| Prunes, "               | 7                        | 13      | 20                       | 20      | 186                      | 54       |
| Cheese, "               | 26                       | 23      | 63                       | 50      | 142                      | 117      |
| Eggs, per doz.          | 54                       | 41      | 93                       | 75      | 72                       | 83       |
| Potatoes,<br>per gallon | 10                       | 14      | 37                       | 35      | 270                      | 150      |

<sup>x</sup>Data from the Labour Relations Office, St. John's and Dominion Bureau of Statistics. All figures are for the month of August, except those for St. John's in 1938, which are for October. This later month should be kept in mind in interpreting the figures, especially those for eggs and potatoes.

In the face of these price increases, which no doubt would have been greater were it not for wartime control measures, there has been a tendency to tie wage settlements to the upward movement in the cost of living. Although wages are higher in all industries, there has been little uniformity in the increases taking place. Wage differentials between industries, as a result, are considerably altered from those existing in 1939. Currently, wage rates are highest in logging and in pulp and paper manufacturing. Here the workers receive an average of \$145 per month. In sharp contrast with this, female persons in the outports are reported to be receiving wages from \$20 to \$30 per month.

Table 3—Average Hourly Wage Rates for Selected Occupations in St. John's and Halifax in October, 1947

Note:—As reported to the Newfoundland Office of Labour Relations and the Research and Statistics Branch of the Canadian Department of Labour:

| Occupation               | St. John's | Halifax |
|--------------------------|------------|---------|
|                          | \$         | \$      |
| Electrician.....         | .90        | 1.23    |
| Bricklayer.....          | .85 - 1.00 | 1.33    |
| Plumber.....             | .90 - 1.00 | 1.19    |
| Construction Labour..... | .55        | .64     |

For a full comparison, all items in the cost of living would need to be examined, but on the basis of the data presented here, and of other information at hand, it seems clear that real wages in St. John's are lower than those in Halifax. Not only are money wages in Newfoundland generally lower, but prices of consumer goods and services are generally higher.

Another indication of the somewhat lower wage level in Newfoundland is the much higher proportion of persons paying income taxes who receive under \$2,000 per year. This is so, even though Newfoundland excludes single persons earning under \$1,000 and married persons earning less than \$2,000 annually. The comparable exemptions in Canada are \$750 for single workers and \$1,500 for married workers. In both countries, \$100 additional exemption is provided for each child.

Table 4—Number paying Income Tax in Canada and Newfoundland in 1946

Note:—Computed on the basis of the Newfoundland exemptions

| Income Class             | Newfoundland |       | Canada    |       |
|--------------------------|--------------|-------|-----------|-------|
|                          | No.          | %     | No.       | %     |
| Under \$2,000.....       | 4,751        | 47.6  | 440,600   | 41.3  |
| \$2,000 to \$3,000.....  | 2,377        | 23.7  | 380,450   | 35.6  |
| \$3,000 to \$4,000.....  | 1,140        | 11.4  | 124,450   | 11.7  |
| \$4,000 to \$5,000.....  | 514          | 5.1   | 45,740    | 4.3   |
| \$5,000 to \$10,000..... | 793          | 7.9   | 57,770    | 5.4   |
| \$10,000 and over.....   | 429          | 4.3   | 17,974    | 1.7   |
| Total.....               | 10,004       | 100.0 | 1,066,984 | 100.0 |



The ratio of those paying income taxes, to all persons over 20 years of age offers another rather striking comparison. In Newfoundland this ratio is one to twenty while in Canada it is one to four. These income tax figures reflect the fact that a number of Newfoundlanders, especially in the outports, still live at close to subsistence levels. If the first catch is low, as it was during the past season, there is little alternative to substantial amounts of government assistance. In August, 1948, for example, relief payments were made to 3,748 families. This was the highest number of families in receipt of such aid since April, 1939, when there were 18,995 families on the relief lists.

## Fisheries

### (a) Fishing

It is estimated that close to 30 per cent of all workers in Newfoundland depend directly on fishing as their chief means of livelihood. This proportion represents an important change from earlier periods when as many as 80 per cent of the workers were engaged in this type of activity. With the development of other industries, fishermen have been attracted elsewhere.

The biggest fish catch is cod. This is caught on the Grand Banks to the south of Newfoundland, along the shores of the Island itself, and off Labrador. Throughout the past season, some of the "inshore" fishing was good, but in many places the run of fish was unusually low. Summer "bank" and Labrador fishing were also good, but the relatively small quantities of bait available may mean a lower winter "bank" fishery. Most fishermen supplement their income by catches of haddock, herring, lobster, salmon, whales and seals. These are caught at various places and times around the shores of Newfoundland and Labrador. Market restrictions during the war adversely affected the fishing industry, but activity is now returning to pre-war levels.

There is little doubt that the returns from fishing have dropped during the past 12 months. This may have a marked affect on the industry, especially since many persons have returned to it since the war. Another difficulty which the industry has faced is some hesitation among firms about stocking fishing supplies until future tariff arrangements are known. This made the outfitting of fishing vessels a more difficult task. The markets for fish present an even more serious obstacle. During the war and early post-war periods, national and international bodies provided a ready market for fish. These outlets have been curtailed and while some pre-war markets are re-opening, others are in the "sterling bloc" and exchange difficulties are being experienced.

The Newfoundland fishing industry has made some advances technologically, in recent years. Some of the most modern types of fishing equipment are now used among the cod fishermen. The extent to which this and other factors are making manpower now engaged in fishing redundant would require further analysis. It seems apparent, though, especially if improvements in production methods are extended that it would be in the interests of all concerned for more persons in fishing communities to shift to other occupations.

(b) Fish Processing

Fish processing has been encouraged by the government as a means of increasing the marketability of the island's fish catch. At present there are about 25 fish plants operating on the inlets and bays about the coast of Newfoundland. Only two of these are operated on a year-round basis; the remainder operate for from five to seven months during the year. At their peak, these plants employ close to 3,000 workers. The chief products are canned and dried fish of various types including lobster and salmon, and fish oil.

Forestry

(a) Logging

Although almost one-third of the 42,000 square miles in Newfoundland, apart from Labrador, is forest area, it is estimated that little more than one-half of the forests are at present of practical value for commercial purposes. These lands have, for the most part, been leased to private enterprises. The forests are comprised predominantly of soft woods which are used extensively for the pulp and paper industry. The supplies are large, which is probably one reason conservation measures have not as yet been introduced by the government.<sup>(1)</sup> A survey of woods resources by the two paper companies is now in progress.

A trend towards more summer work is evident in the cutting operations. Summer cutting enables a saving to be made in stumpage and permits a more balanced year-round labour force. Mechanization has been introduced, especially in hauling operations.

(b) Pulp and Paper Mills

There are two large pulp mills in Newfoundland. One is at Grand Falls, operated by the Anglo-Newfoundland Development Company, Ltd., and the other is at Corner Brook, operated by the Bowater (Newfoundland) Pulp and Paper Mills Ltd. The former mill has a capacity of 650 tons of pulp per day and the latter, with a recent addition, has a capacity of 1,000 tons per day, making it the largest pulp mill in any country.<sup>(2)</sup>

(c) Sawmills

In addition to the pulp and paper mills there are some 900 sawmills in operation, mostly during the summer months. As in the Maritimes, most of these mills employ only a few men. Less than twenty of them are large enough to warrant hiring all types of sawmill employees.

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(1) Authoritative sources state that there are sufficient uncut forests on the island to enable cutting at the present rate for over 90 years without making any inroad on the second growth.

(2) Prior to this addition, the Three Rivers plant of the Canadian International Paper Company, was the largest mill.

## Mining

There are four mining centres in Newfoundland, which employ approximately 3,500 workers. The largest is Bell Island where the Wabana Iron mines are located. These mines produce a medium grade hematite iron ore which is shipped to the steel mill in Sydney, Nova Scotia. During the thirties, large quantities of ore were shipped to Germany; during 1948, the output was shipped mainly to Sydney and to the United Kingdom, in about equal quantities.

Another mining centre is Buchans where a mixed deposit of copper, zinc, and lead is located. The output of this mine is being shipped today largely to the United States, although a substantial amount of lead concentrates was shipped to Belgium in 1948. New deposits of ore have been discovered recently, which will add to the life of the mine.

A third mining centre, is now being developed at St. Lawrence, on the Burin Peninsula where a deposit of fluospar has been located. This mineral is used as a flux in the manufacture of steel and aluminum. Among other uses, this mineral is employed as an ingredient in the manufacturing of high octane gas.

The fourth mining centre is Aguathuna on the west coast where a large limestone deposit is located. This limestone is used largely at the steel mill in Sydney.

There is considerable surveying activity at present both on the Island and in Labrador. The recently discovered high grade iron ore deposit in Labrador extends into Quebec and the latter government is aiding in developing the area. Prospecting rights have been granted to a Canadian company. Present indications are that it will be some years before this area is developed.

## Agriculture

As a result of the limited amount of arable land in Newfoundland, agriculture is the least important of the four main primary industries. Much of the farming is carried on in conjunction with other work which makes it doubly difficult to obtain satisfactory information on the total manpower in the industry.

Aside from a number of farms around St. John's and a few other centres, the only other principal agricultural districts are in the Codroy and in the Humber valleys on the west side of the Island. There is a good market for all agricultural products in Newfoundland, but the main difficulty, especially with the outlying areas, is the distance to the principal outlet, St. John's.

During the war, close to 2,000 farm workers from Newfoundland were recruited for employment on dairy farms in the eastern United States. A small number also worked on farms in the Maritimes. Most of these persons have now returned to agriculture or other industries in Newfoundland. A small number of carefully selected veterans have also been settled on farms mainly in the Codroy and Humber Valleys. It is estimated by Newfoundland authorities that a number of persons with limited farm experience could be secured for employment in Canadian agriculture at the present time.



### Manufacturing

Apart from the processing of fish and forest products, manufacturing activities on the Island are largely confined to St. John's. The plants, for the most part, are small and devoted mainly to tasks of assembling. Primary activities are limited mainly to boot and shoes, confectionary, paints, nails, clothing, furniture, margarine and other products manufactured largely for the local market.

It is important to the primary industries of the country that certain products be assembled locally in a manner suited to domestic requirements. The fishing industry, for example, is dependent on the local manufacture of nets and cordage. Difficulties encountered in securing ample supplies of raw materials for these firms are often a serious threat to their existence. The total employment provided by these firms is not known, but it is thought to be around 5,000.

### Construction

Construction workers have found almost continuous post war employment in housing, especially on projects in St. John's. Small numbers of workers are currently engaged in maintenance and some construction at the United States defence bases at Argentia, Fort Pepperrell, Stephenville and at the government air base at Gander.

### Retail and Wholesale Trade

With the great amount of purchasing power throughout Newfoundland during recent years, the retail and wholesale trades have become highly prosperous. One of the main problems at present is some uncertainty regarding their import position after Confederation. Until this matter is settled, there is a tendency to keep their stocks of Canadian goods at a minimum. Conversely, there appears to be a tendency to purchase more United States goods at present, since Newfoundland is for the present only indirectly affected by the Canadian "austerity program". The trade is also facing difficulties in securing export allotments from various countries. On the other hand, the payment of family allowances will increase purchasing power and should benefit trade.

### Transportation

The shipping industry is highly seasonal for practically all of the Newfoundland ports. With the exception of St. John's and the smaller ports along the southern coast, shipping closes up entirely for several months in the winter. This means, there is a rush of shipping every fall to the outlying ports before freeze-up.

The narrow gauge railway, from Port aux Basques to St. John's is the only trans-insular route. The importance of this five hundred and fifty mile railway to the economy of the Island was demonstrated by the month-long strike of its employees in the fall of 1948. Lack of transportation facilities resulted in grave problems of supply for many areas. At the same time, some of the vegetable crops being harvested at the time on the west coast were damaged before the strike was settled.

There have been several air bases established on the island. Two of these were built for defence purposes by the U.S. government. These are located at Stephenville and Argentia. A third air base at Gander was originally built by the United Kingdom and Newfoundland. During the war this base was greatly expanded by Canada for military purposes but it has now been returned to Newfoundland for civilian purposes. It is the most important "midway" base on northern transatlantic routes. Of the remaining two air bases, Goose Bay which was built in Labrador during the war, is an alternative transatlantic base. Torbay, near St. John's is used as the terminus for Trans-Canada Air line flights from Canada.

### Employment Outlook

The outlook in the forestry and mining industries appears to be good, whereas there is some uncertainty in fishing, in trade, and in shipping. Moreover, the future of several of the secondary industries is uncertain, at least until after Confederation. A shortage of bait and uncertainties with regard to markets are important elements in fisheries' picture.

Another factor which should be kept in mind in assessing the employment situation, is the fact that Newfoundland prosperity has depended to a considerable extent on a positive balance of trade with its North American neighbours. This is a condition of recent origin and one which needs to be appraised carefully in relation to possible future trends.

The distribution of manpower in Newfoundland has changed greatly over the past decade, particularly in pulp and paper, mining, air transportation and trade. With the growth, many workers have been attracted to these industries. The number gainfully employed, it is estimated has increased over the decade from approximately 80,000 to 100,000.

On balance, it seems clear that employment for the present will continue on a relatively high level. This, in addition to the higher income levels for many workers, brought about in part by the expanding trade union movement, should make for the maintenance of the standard of living now enjoyed by workers, at least in St. John's and in the important pulp and paper and mining centres. Nevertheless, large numbers, especially in the smaller outlying settlements, still suffer from a lack of steady remunerative employment and, consequently, from a relatively low standard of living.

## EMPLOYMENT SERVICE ACTIVITIES

Rapidly and consistently, unplaced applicants have been increasing in number. By the end of January, 199,000 men and 50,000 women were registered for jobs at employment offices. Approximately three-quarters of these workers have been seeking the assistance of unemployment insurance and a very high proportion are being allowed benefits. In cases of disqualification, insufficient contribution is the chief reason for non-payment.

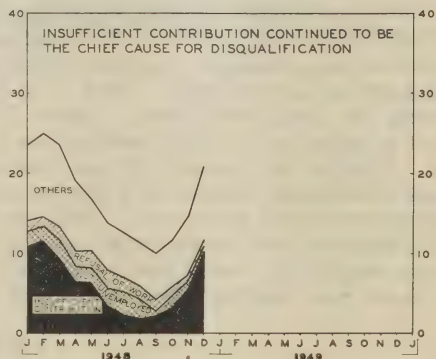
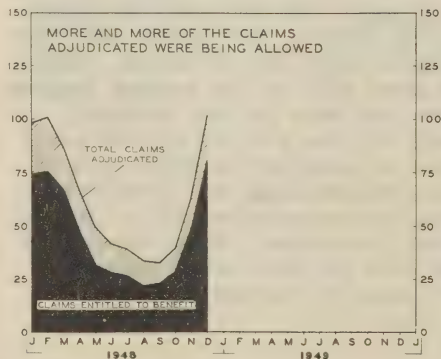
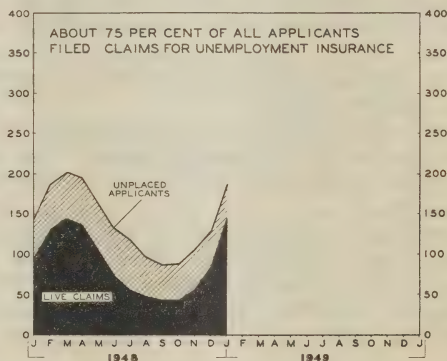
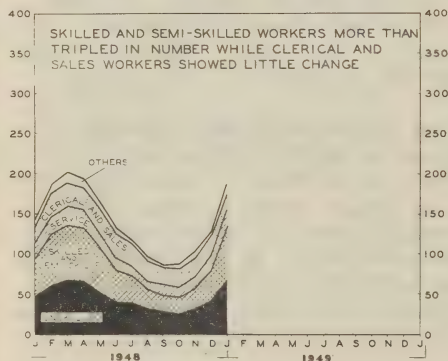
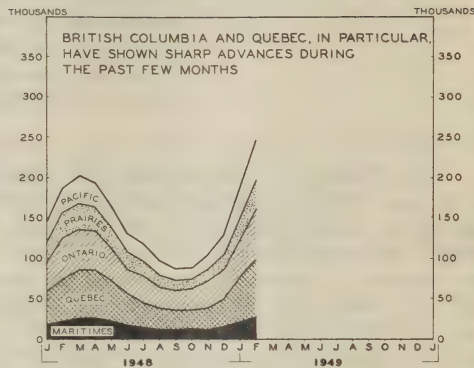
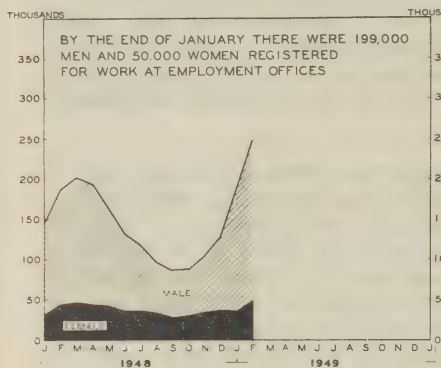
In the past two months, the Employment Service was opening its doors to one of the heaviest influx of workers in its peacetime history, certainly the most pronounced for the past two and one half years. Until December, the entrance of job-seekers was moderate, in terms of previous year's records. However, beginning in the last weeks of 1948 the inflow speeded up. New applications during December averaged 36,000 a week as against 30,000 in the same month of 1947. Applications remaining on file jumped accordingly; an average of 13,500 applicants was added each week during the months of December and January. By the end of January, 199,000 men and 50,000 women were registered for work at employment offices and there was still little indication of a reversal of the trend. However, the month of February usually sees the levelling off, if not the first break, in the upward spiral.

The increase in applications did not necessarily mean the same proportionate rise in unemployment. The extent to which workers will register at employment offices will vary from time to time. At present, the incentive to use the facilities of the Employment Service seems to be much greater than in former years. This primarily was due to the advantages of unemployment insurance. More workers are now covered by the Unemployment Insurance Act, greater numbers have built up sufficient contributions to qualify for benefits, and high living costs have made collection of benefits, even during brief periods of unemployment, a necessity in many cases.

Who were the persons registered for work? The occupational breakdown of unplaced applicants at the beginning of January, the latest date for this information, reveals that about one-quarter fell into the sales, clerical, and service occupations. This left the great bulk of the workers largely registered for industrial work. About 75 per cent were in this category, these being equally divided between the unskilled, the skilled and the semi-skilled. Within this group, 20 per cent were in construction while each of the classifications, lumber and its products, metalworking, and transportation, accounted for 7 per cent. Next in line were occupations in the textile, food and tobacco, and transportation equipment industries. Many, especially among the unskilled, could not be classified into any particular industry group; these were mostly heavy labourers suitable for various types of work.



# UNPLACED APPLICANTS AT EMPLOYMENT OFFICES



As would be expected, women workers fell into essentially different categories. The chief registration here was in the clerical, sales, and service groups which accounted for 55 per cent of the unplaced. Virtually all the remainder were in the industrial groupings with unskilled workers slightly more numerous than the skilled and semi-skilled.

Which occupations recorded the most appreciable changes over the year? A few occupations stood out in the over-all increase although minor advances occurred in most classifications. A number of occupations, however, did record a decline; among these were clerical, professional, and skilled and semi-skilled miners and leather workers.

The construction industry showed the chief gain over the year, accounting for over 20 per cent of the total advance. The lumber and saw-mill industries were responsible for 15 per cent of the yearly rise. Another 5 per cent of the gain took place in the metalworking industries. Shipbuilding here was the chief cause and structural iron and steel workers and welders and flame cutters were most affected. Five per cent more of the yearly gain took place in the transportation equipment industries. This was caused by the current temporary lay-offs in the Windsor and Oshawa automobile plants.

These same occupational groups, along with general heavy labourers and workers in transportation and food processing, were also responsible for the seasonal rise. Here, however, service workers also showed an appreciable gain.

Where did the additional registrations take place? As among the occupations, the incidence of heavier registrations varied from area to area. A number of local office areas and regions showed decided gains, most indicated moderate advances, while a few showed over-all declines.

British Columbia was particularly affected since it depended heavily on construction, logging, sawmills, and shipbuilding, all of which has been adversely affected. Unplaced applicants in this region at the end of January were higher than ever before recorded in the history of the National Employment Service.

Quebec suffered next in severity. This region was similarly dependent on many of the affected industries although greater industrialization here had somewhat softened the over-all effects.

Nova Scotia stood out singularly in that no appreciable change occurred over the year. Ottawa, Chatham, and Sarnia of Ontario recorded a lower level of unplaced applicants in 1949 even throughout January.

Within each region the increase was spread fairly consistently over the whole area. The larger cities as a rule did not advance out of line with the rest of the region. In fact, the rate of increase in Montreal and Toronto, and in many of the Prairie cities, did not even keep pace with the regional gain.

What jobs were vacant at employment offices? Very few pockets of labour scarcity existed in the fields of men's employment. The 12,000 jobs for male workers on record at employment offices at the beginning of the year were scattered among the various occupations. In only one industry group, lumber and its products, was there any degree of concentration and here there were some 2,000 openings which were distributed throughout all of Canada.

In women's work, however, there remained a number of distinct labour shortages. There were 13,000 jobs for women available and of these, 4,100 were for domestics, 2,700 for textile workers, and 1,500 for stenographers and typists.

Unemployment insurance assists most workers registered for work. Three out of every four persons registered for work at the beginning of the year had placed their claim for unemployment insurance. The possibility of qualifying for benefit was perhaps the best in history of the Unemployment Insurance Act. Primarily, this was because of the general scarcity of jobs. During December, only 1,300 of the claims adjudicated were disqualified because of "refusal of offer of work" or "not unemployed". During December of the previous year, when there were 18 per cent fewer claims adjudicated, 2,300 were disqualified because of these reasons. The increased number of years in which the Act has been operating also will have the effect of enlarging the eligibility list.

The accompanying chart graphically presents among other things various aspects of unemployment insurance.

Table I--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                                   | Average Weekly   |                  |                  |
|------------------------------------------|------------------|------------------|------------------|
|                                          | December<br>1948 | November<br>1948 | December<br>1947 |
| Applications for work <sup>x</sup> ..... | 36,000           | 35,000           | 30,000           |
| Vacancies notified .....                 | 14,000           | 21,000           | 15,000           |
| Placements .....                         | 10,100           | 13,400           | 10,500           |
| Women .....                              | 3,500            | 4,400            | 3,200            |
| Veterans .....                           | 2,300            | 2,500            | 3,300            |
| Handicapped.....                         | 235              | 285              | 290              |
| Executive and Professional               | 45               | 60               | 45               |

<sup>x</sup> Does not include renewals.



# INDUSTRIAL ANALYSIS

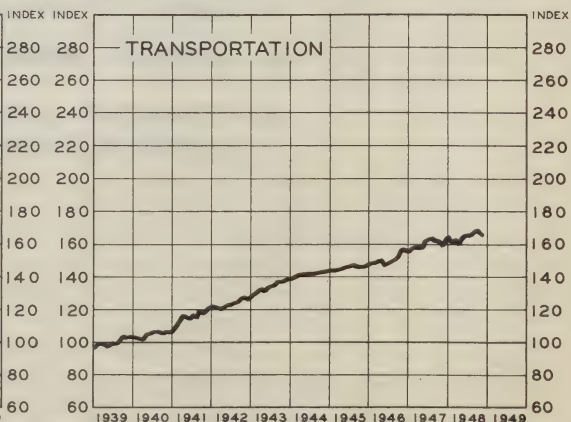
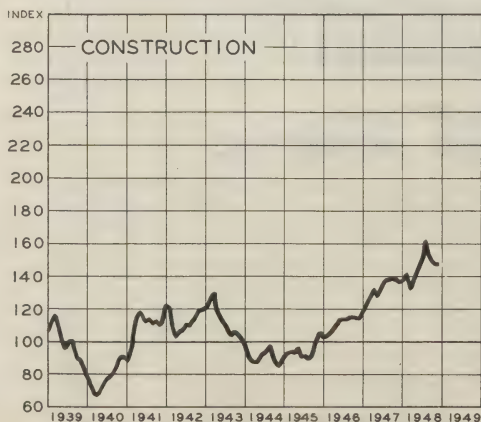
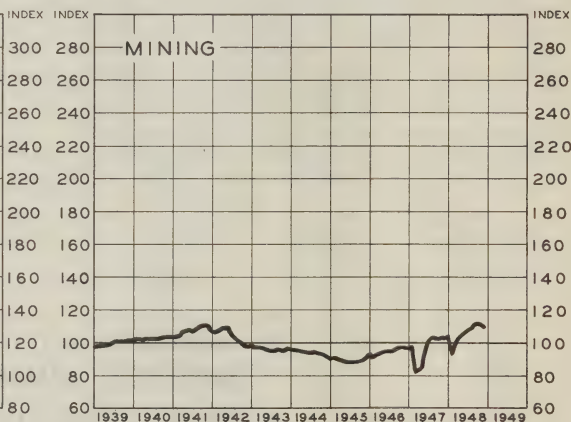
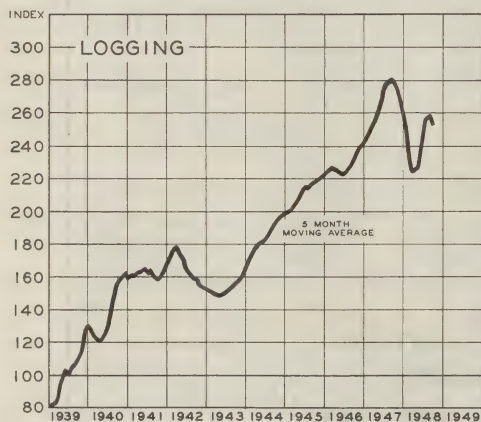
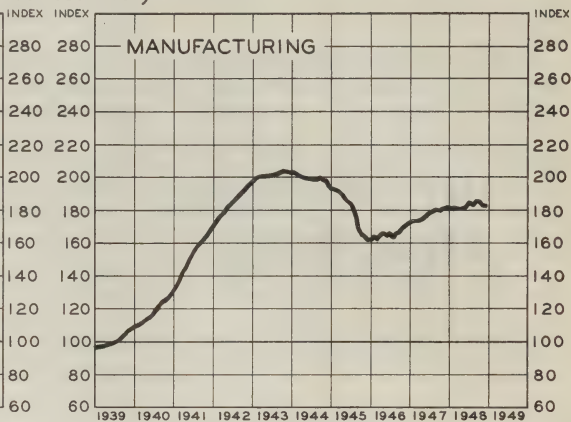
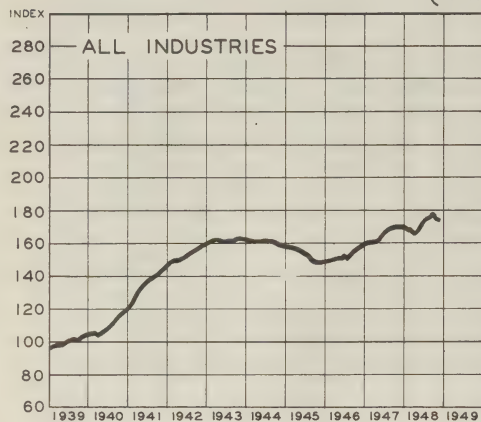
- ▲ INDUSTRIAL LABOUR  
MARKET SUMMARY
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ABOUT CONSUMER MARKETS
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES

# EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

## SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE 1939 = 100)



# INDUSTRIAL LABOUR MARKET SUMMARY

The industrial labour market during January was relatively inactive. A decline in employment in this month is customary in such industries as trade, transportation and communications, and manufacturing. Logging was the only major industry which was seasonally active, but employment in this sector of the economy during 1948-49 has been more than 10 per cent below that of the previous season.

## MANUFACTURING—

Estimated employment.....1,260,000  
Average weekly earnings..... \$43.70

A useful indicator of conditions in the labour market in Canada is the statistical series on the operations of the National Employment Service.<sup>(1)</sup> From a study of these figures, it is apparent that there was a considerable deterioration in the employment situation in the manufacturing industries during January, 1949. Much of this deterioration was seasonal but the extent of this year's inactivity seems to have been greater than that of the previous two years.

The registered demand for labour in manufacturing plants was very light during January. At December 30, there were about 7,000 unfilled vacancies registered in Employment Service offices all across Canada. This total was substantially unchanged at February 3. This was the lowest point that vacancies in manufacturing, as reported to N.E.S., have reached since such data became available in 1942. In only one industry was there a sizable concentration of vacancies. This was the primary textile industry which was seeking some 3,200 workers, mainly women.

In comparing this demand with the supply of labour available at National Employment Service offices, two points should be kept on mind. First, there is less incentive for employers to register their employment opportunities than for their employees, who are usually covered by unemployment insurance, to register for work. Secondly, it is not possible to relate the majority of the unplaced applicants, and especially those who have no trade or profession, to any particular industry.

There are, however, many persons registering who have the skills required in a certain industry. In the monthly report, Labour Demand and Supply, the applicants for work in occupations peculiar to one industry are coupled with the vacancies existing in these

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<sup>(1)</sup> Labour Demand and Supply, Research and Statistics Branch, Department of Labour.



occupations. While in all cases given at February 3, there was a decided surplus of applicants over job openings, this may not provide a complete picture for the reasons just mentioned. The following examples show the situation as it exists in the National Employment Service.

At February 3, there were 807 cabinet makers and woodworkers to be matched against 71 vacancies registered in this type of work. In sawmill occupations, there were 1,512 male applicants and 15 vacancies; in occupations peculiar to the pulp and paper industry, 372 male applicants and 15 vacancies; in secondary textiles (male) 687 applicants and 113 vacancies. The greatest discrepancy between jobs and workers was in metalworking occupations, where over 8,300 men were seeking work and only 600 jobs were available. This 8,300 total included 2,200 welders and flame cutters; 1,700 machinists, tool makers, and die setters, 1,600 structural iron and steel workers and 1,400 "other" machinists.

In addition to the semi-skilled and skilled workers, there were other large groups seeking work during January, many of whom could be placed in manufacturing employment where jobs were available. For example, there were 92,000 unskilled workers, 90 per cent male, at February 3. Again, the 20,000 office workers registered at this date would presumably accept employment in this type of work in any industry.

It should be emphasized that the statistics given in this summary refer to the operations of the National Employment Service, which account for only a part of total labour market activity. Generally, speaking, however, these data give a picture of overall trends. As well, it has been only possible here to deal with Canada totals and consequently many of the problems confronting the individual job-seeker have been ignored.

#### AGRICULTURE—

Estimated employment (January).....950,000

A summary of the outlook for Canadian agriculture in 1949 is contained in the December issue of the "Current Review of Agricultural Conditions in Canada", published by the Department of Agriculture. Generally, another good year for the farmer is expected, with both agricultural production and consumer expenditures on food remaining high. Although the export situation is somewhat clouded at present, good markets are anticipated for most products.

In regard to farm labour, the Review agrees with the generally accepted theory that the overall shortage of agricultural workers will continue in the coming year. The joint Farm Labour Program, operated by the Department of Labour in conjunction with the provinces, is planning to bring in more immigrants for farm work. As the available pools of single manpower in Europe have been fairly well exhausted, family units may be brought in if living accommodation can be found.

The following is a summary of the outlook for the principal types of agricultural production during 1949:

**Wheat:** The 1948 crop of 393.3 million bushels should provide some 243 million bushels for export. An assured market for a large part of the crop, the fall drought in the Prairie Provinces, together

with almost certain reductions in 1949 acreages of rye and flax, are factors favouring an increased spring wheat acreage in 1949.

Livestock: Livestock marketings in 1949 are expected to be slightly less than in 1948. Relatively lower supplies of meat, a continued strong domestic demand, markets for 160 million lbs. of bacon through the United Kingdom bacon agreement, and for beef and cattle in the United States, should provide profitable prices for live stock in 1949.

Dairy Products: Total milk production in Canada may approximate the 1948 estimate of 16.5 billion lbs. The output of butter, cheese and ice cream will probably be maintained during 1949. The agreement with the United Kingdom provides an outlet for 50 million pounds of cheese at the same price as was effective in 1948. Egg production is expected to decline during the first half of 1949, since the export market does not justify any increase.

Fruits and Vegetables: Good fruit crops are anticipated in 1949, with generally firm demand. There is some possibility of over-production of such fruits as apples, plums, prunes and raspberries with a corresponding price decline.

The outlook for potatoes in 1949 is for depressed prices in the event of another above-average crop. Vegetable acreage increased in 1948 to a level that is likely to be maintained rather than increased.

#### TRADE---

Estimated employment (January).....637,000  
Average weekly earnings (Dec. 1)....\$35.18

The usual post-Xmas lay-offs in retail trade continued into the first few days of January. During the remainder of the month a relatively low rate of hiring took place. Both retail and wholesale trade were very quiet in all regions. This condition is expected to continue until March when department stores and mail order houses begin building up staffs for the Easter trade.

A surplus of sales applicants, especially female, was common to most National Employment Service offices during January. It was reported that any orders received for help were readily filled locally, usually by single girls with some experience in this line of work. Stock-taking and a series of sales enabled some stores to retain most of their regular employees over the in-between season.

Retail sales seem to be holding up quite well, however, for this time of year. In dollar value, department store sales during January were above 1948. For the week ending January 29, sales for the country as a whole were 11 per cent over the corresponding period last year. Most, if not all, of this increase was due to price advances, however.

The B. C. industry was very quiet during January, as the extent of seasonal inactivity was increased by exceptionally cold weather and heavy snows.



The labour market in Canada as a whole, varied considerably by area, however. Many of these differences are illustrated in the following excerpts from reports made by local office managers of the National Employment Service.

Truro, N.S.: "Although lumbering this season has been at a very low level, an increased demand for woods workers during the past month has resulted from more favourable weather. This demand has been met locally."

Bathurst, N.B.: "Cutting operations are mostly completed everywhere..... There now is a large number of unemployed woods workers. Lack of snow has hampered hauling-off operations somewhat until very recently."

Chicoutimi, Que.: "About 3,500 men now are actually working in the woods. Cutting is 95 per cent complete and hauling will be finished about February 15."

Val D'Or, Que.: "Quite a few bush workers should come out in February and look for mining or construction work."

Rouyn, Que.: "No shortage of lumber jacks exists, and demands are readily filled."

Timmins, Ont.: "We are receiving some orders for teamsters and loaders which we have no difficulty in filling."

Fort William, Ont.: "During the 1947-8 season, a total of 15,000 men were employed in Northwestern Ontario bush camps. This year, the number was about 12,500."

Victoria, B.C.: "Logging in the area is practically at a standstill due to the weather and a slackening demand at the mills. With the weather showing no signs of improvement, any forecast of the resumption of work is impossible. Only a few hand loggers are continuing."

Vancouver, B.C.: "There are still no vacancies listed in the logging industry. Re-opening of most camps has been delayed by continued cold weather and deep snow, with no change in sight."

#### MINING—

Estimated employment (January).....75,000  
Average weekly earnings (Dec. 1).....\$51.81

A further wage increase for all of Canada's 25,000 coal miners was in prospect for 1949 as the collective bargaining agreements in most mines came up for re-negotiation during January.

In the Maritimes, an agreement was reached early in February between the United Mine Workers representing some 13,000 miners, and the principal operator, Dominion Steel and Coal Corporation. The

current contract expired on January 31. It was extended to February 28 at the request of the union, while negotiations continued. The new agreement, if accepted, will date from February 1.

A 50 cent-a-day increase, above the current basic rate of \$7.64, is called for by the new agreement, which must be formally ratified by the union membership before it becomes effective. The settlement culminated negotiations which had been carried on for nearly three months. Originally, the union had requested a wage increase of \$2.56 per day to bring the level of Maritime wages up to that prevailing in the West. Dosco's first offer was 25 cents a day, which was refused.

At the same time, it was reported that some 14,000 coal miners in Alberta and British Columbia were demanding wage increases varying from \$2.00 to \$3.00 per day. This would boost the daily wages of most work up to the \$14.00 mark. Rock miners now are paid \$11.43 per day; timber-men, \$10.95; machine-men (coal cutters), \$12.47; actual coal-miners, \$10.95. Conciliation proceedings were being carried on and a report from the board was expected shortly after the expiry date of the contract, February 16.

## WHAT EXECUTIVES SAY ABOUT CONSUMER MARKETS

Opinions of executives in leading firms in many industries are obtained by interviewers of the Employment Forecast Survey at the Research and Statistics Branch. Each month, a selection of these opinions on a single topic of concern to both management and labour is presented in this section of the Canadian Labour Market. The topic for this month is the state of markets for consumer goods.

In the following quotations an attempt is made to illustrate, the opinions of various executives whose industries are directly dependent on the consumer market.

Retail trade is perhaps the industry most closely in touch with the consumer market. In this section, department stores sales in 1948 were higher in dollar volume than in 1947. With consumer goods in more adequate supply and price resistance appearing in some departments, much keener competition is anticipated in 1949. In the clothing industry, textile mills and wearing apparel manufacturers are exploring the possibility of developing a greater volume of business by reducing the spread between wholesale and retail prices.

In the foods section, there has been a slackening of demand for the more costly cuts of meat, as a result of high prices. Demand for dairy products is likely to remain high during 1948 as will demand for brewery products.

Many executives feel that demand for furniture and light household equipment has passed its peak already, and that the market for heavy household equipment will approach saturation in the latter part of 1949.

The telephone industry is expected to continue its upward trend in operations as the active demand for new service persists. Domestic demand for electric power still exceeds supply, partly because of increasing use of electrical appliances in the home and the extension of rural electrification. The supply of petroleum products will probably meet the market in 1949.

For the first time since the end of the war automobile buyers are becoming selective, and it is possible to obtain immediate delivery of some of the less popular models, but major manufacturers expect demand to exceed supply for at least the first half of 1949. The market for passenger-car tires can be easily satisfied, but demand for tractor tires exceeds supply.

The opinions quoted vary from those of executives who are closely in touch with consumer markets, such as department stores, to those of manufacturers whose activities are far removed from direct contact with the consumer, but who are nevertheless affected by buying habits of the public.



### Departmental Stores

(1) "The average citizen still seems to have plenty of money to spend and, as a matter of fact, there are some lines of durable goods (particularly refrigerators and washing machines) where we could have done a much greater volume of business during 1948 if we had been able to obtain more from the manufacturer.

"A rather remarkable feature of our trade at present is that the ratio of credit and instalment sales to cash sales is still considerably lower than in the period immediately preceding the war. There has been a considerable shift from cash buying to credit, but there is still a cushion to fall back on when the customer finally becomes hard pressed for money.

"The customer is being more selective in his requirements for style, quality and service, - but he is still willing to buy when these more exacting standards are met."

### Clothing

(2) "Markets are still holding up and we still sell on a quota basis. This, however, is not necessarily true of the industry. People now ask for "name" shirts. The cheaper makes and unknown "name" products are not turning over, which is a strong sign of buyers' resistance."

(3) "The trade will not accept plain, one colour men's socks - buyers are becoming more selective.....It is impossible to increase prices without affecting sales to a dangerous degree."

(4) "We have no difficulty in disposing of our entire production and our backlog of orders ensures capacity operation during the first half of 1949."

### Meat Packing

(5) "Higher prices have tended to reduce sales on choice cuts but the seasonal spring drop in supply is expected to be accentuated in 1949. There could be an increase in domestic pork and bacon prices."

(6) "Sales generally are satisfactory, but we have difficulties arising from the fact that we are dealing with perishable products."

### Beverages

(7) "If purchasing power falls off a little, there may be a partial shift from bottled beer which is selling better now, to draught beer."

(8) "People continue to consume our product faster than we can make it and in fact we cannot begin to meet the present demand. Our company has just completed a record year, showing a net profit of over \$2 million and we see no reason why 1949 should not be equally as good."

### Electrical Appliances

(9) "Our company is one of the few that did not experience a slump in radio sales and output, and employment is expected to be about the same in 1949 as 1948. We are experimenting with television. I believe the peak has passed in demand for irons, toasters, etc., and ranges, washing machines, and refrigerators will experience the same trend toward the end of 1949."

### Household Furniture

(10) "Our market is almost wholly domestic, only token shipments being exported at the present time. We did a record volume of business in 1948 and expect continuation of good business for a few months yet. We have benefited by restrictions on imports of kitchen tables from the United States."

### Telephones

(11) "At the beginning of 1948 this company had 94,000 applications for service on file and all but 15,000 of these were filled before the end of the year. New applications, however, still leave the company with more than 80,000 unfilled orders. In addition, there are 75,000 unfilled orders for various types of improved service. The volume of calls in 1948 was 9 per cent greater than in 1947 and long distance calls increased by 12 per cent."

### Electric Power

(12) "I do not expect a sudden recession in 1949, but I feel that there will be a levelling off in spending which will ultimately affect employment. As electric stoves and refrigerators are becoming available in larger quantities, the general public is not buying them the same as a couple of years ago. The high cost may be one of the reasons; the other is that the ex-service personnel have all spent their gratuities."

### Petroleum Products

(13) "In my opinion an important problem of 1949 will be to find ways and means to expand consumption of Alberta crude in a manner that will be advantageous to all interests, from producer to consumer; good results in this direction should stimulate continued active exploration and development of our oil resources."

### Vehicles

(14) "The new models are changed radically from the former ones. We have a winner this time. Any resistance to sales is a year away, at least."

Rubber

(15) "Passenger-car tire sales improved contrary to sales' department expectations. However the sales budget for 1949 anticipates some reduction and we could be on a 45 hour week by July compared to present 48 hour week."

Textiles

(16) "Ours is an expanding industry. Our fabrics are all produced from rayon, and the uses of rayon continue to multiply. If the import quotas are removed, some branches of the Canadian textile industry will face immediate and severe competition from lower priced American goods; but this should not affect us much since Canada has never imported any large quantity of rayon fabrics from the United States."

(17) "The market will take our entire production of woollens and worsteds. To satisfy our backlog of orders, our plant will operate at capacity for at least the first half of 1949."



## RECENT WAGE CHANGES

The Canadian Labour Market includes each month a compilation of the wage changes announced during the month prior to publication. The present material indicates that comparatively few workers received wage increases in the period under review and that the advances recorded were generally on the same level as those noted during recent months.

According to the information available to the Department of Labour, almost 8,600 workers benefited from wage advances during the latter part of December and the month of January. This represents a decrease of 65 per cent from the comparable number recorded in the previous report, and 60 per cent from the January, 1948 figure. It is almost 85 per cent below the monthly average of the number of workers affected by wage increases as reported during 1948.

In general, the size of the increases at the individual firms was in line with those announced for comparable establishments during recent months. The numbers of workers involved in the individual wage increases were small, however, the largest number affected by a single increase being 1,800, as compared with 3,000 in the January report.

The largest single group reported this month was the plumbers and steam-fitters in Toronto. This group, together with its counterpart in Montreal, was granted an hourly increase of 15 cents. Only two other large groups are recorded. One thousand garment workers in Montreal received a  $6\frac{1}{2}$  per cent increase and nine hundred coal truck drivers in the Toronto area obtained an hourly increase of 10 cents.

Although a smaller number of workers were recorded, they were concentrated within industries which have recently been granting the highest wage increases. As a result, the majority of workers received increases which amounted to fifteen cents, or over, an hour, whereas the greatest number in the last report fell within the range of 10 to 15 cents an hour.

Only four of the wage settlements announced resulted from strikes. These affected seven hundred workers, the largest single group being the employees in three woollen mills at St. Johns, Quebec. The second largest group was located at the Estevan-Bienfait coal fields in Saskatchewan. The latter strike was settled after two months when the workers and the operators agreed to an eighteen cent an hour increase and to the setting up of a committee to study retirement pension schemes for possible use in the industry. Strike settlements, which included wage advances, were also completed in the construction industry at Victoria, dealing with electricians, and in a dry cleaning plant at Vancouver, where only a small number of workers was involved.

Negotiations concerning wage issues are in process for several large groups of workers. One of these concerns the Canadian Seaman's Union (T.L.C.) which is opposing the introduction of a wage scale suggested by the operators of deep-sea vessels. This schedule would bring about a reduction of \$20 to \$50 a month in the wages of the deep-sea seamen. Wage negotiations are continuing on behalf of the workers at the Eastern Car Co. in Trenton and also at the plant of the Trenton Steel Co., both of which are subsidiaries of the Dominion Steel and Coal Corporation. Similar negotiations are being carried on at the plant of the Aluminum Co. of Canada

which is located at Shawinigan Falls. This dispute centres about the recent awards of an arbitration board dealing with the size of the wage increase and the retro-active provisions for it. There are indications that the wage dispute between District 26 of the United Mine Workers of America (C.C.L.) and the Dominion Steel and Coal Corporation will soon be concluded on the basis of a 50 cent a day increase. Negotiations with the coal mine operators in Alberta and in the Crow's Nest Pass district of British Columbia are progressing after a temporary deadlock over the method of wage payment. The Union is now requesting a straight day wage of \$14.65 for miners, timbermen and other mine workers employed at the working-face.

The Woodworkers' Industrial Union of Canada has already announced that it intends to press for a wage increase of \$2 a day at their 1949 negotiations with the West Coast lumber operators. Similarly, the United Automobile Workers of America have served notice of their intentions to strive for a wage increase, but at the same time they are emphasizing their demand for a pension scheme, as well as the introduction of health and welfare plans sponsored by the companies.

Table I—Summary of Previous Wage Announcements  
(in industries for which wage advances have been  
recorded in this issue)

| Industry                            | Range of increases<br>announced during<br>past 12-month<br>period(1) | Last increase announced |       |                    |
|-------------------------------------|----------------------------------------------------------------------|-------------------------|-------|--------------------|
|                                     |                                                                      | Amount(1)               | Month | Number<br>affected |
| Coal                                | .40 to \$2.00<br>per day                                             | \$1.40<br>per day       | July  | 315                |
| Rough and Dressed Lumber            | .05 to .25                                                           | .05                     | Nov.  | 390                |
| Furniture                           | .03 to .20                                                           | 5%                      | Dec.  | 155                |
| Edible Plant Products               | .02 to .25                                                           | .12 to .25              | Aug.  | 590                |
| Cotton yarn and cloth               | .03 to .34                                                           | .11                     | Dec.  | 1,500              |
| Woollen yarn and cloth              | .04 to .24                                                           | .10                     | Nov.  | 140                |
| Silk and artificial silk goods      | .04 to .35                                                           | .12½                    | Oct.  | 660                |
| Garment and Personal<br>Furnishings | .03 to .12                                                           | 10%                     | Dec.  | 1,200              |
| Chemicals and allied<br>products    | .04 to .17                                                           | 8%                      | Dec.  | 40                 |
| Glass Products                      | .05 to .12                                                           | 10%                     | Sept. | 45                 |
| Electrical apparatus                | .05 to .18                                                           | .09                     | Nov.  | 635                |
| Machinery other than Vehicles       | .05 to .17                                                           | .10                     | Dec.  | 60                 |
| Iron and Steel Fabrication          | .03 to 25%                                                           | .05 or 6%               | Dec.  | 230                |
| Aluminum and its Products           | .08                                                                  | .08                     | June  | 5,600              |
| Building                            | .05 to .50                                                           | .07½                    | Nov.  | 600                |
| Hotels and Restaurants              | .10 to .25                                                           | \$5.00<br>per week      | Nov.  | 120                |
| Personal Services                   | .05 to .20                                                           | .08 to .20              | Nov.  | 200                |
| Truck Drivers                       | .10 to .20                                                           | .10 to .20              | June  | 3,500              |

(1) Unless otherwise noted, hourly figures are quoted.

# RECENT ANNOUNCEMENTS OF WAGE INCREASES

NOTE: The information on wage changes was obtained, for the most part, from press announcements and reports of National Employment Service offices.

| Industry                         | Av. Hr.<br>Earnings<br>(1) | Firm                                                                                                                                | Location                                          | Amt.<br>Per. Hr.            | Date<br>Effective                                    | Workers<br>Affected        |
|----------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------|------------------------------------------------------|----------------------------|
| MINING                           | ¢                          |                                                                                                                                     |                                                   |                             |                                                      |                            |
| Coal                             | 115.0                      |                                                                                                                                     |                                                   |                             |                                                      |                            |
|                                  | 127.7                      | Estevan-Bienfait Coal Fields<br>(7 operators)                                                                                       | Saskatchewan                                      | 18¢                         | July 1/48                                            | 200                        |
| MANUFACTURING                    | 95.5                       |                                                                                                                                     |                                                   |                             |                                                      |                            |
| Rough & Dressed Lumber           | 93.4                       | Rutherford Co. Ltd.                                                                                                                 | Montreal, P.Q.                                    | 11¢                         | Jan. 24/49*                                          | 130                        |
| Furniture                        | 83.6                       | Monterey Furniture Mfg. Co.<br>Monarch Furniture Co.<br>Crane Furniture Co.<br>Faircrest Furniture Co.<br>Sturdybilt Furniture Ltd. | Vancouver, B.C.<br>"<br>"<br>"<br>"               | 5¢<br>5¢<br>5¢<br>5¢<br>5¢  | Jan. 28/49*<br>"<br>"<br>"<br>"                      | 15<br>25<br>35<br>15<br>25 |
| Plant Products                   |                            |                                                                                                                                     |                                                   |                             |                                                      |                            |
| Edible                           | 73.6                       | Standard Brands Ltd.                                                                                                                | Calgary, Alta.                                    | 10¢                         | Jan. 18/49*                                          | 35                         |
| Cotton Yarn & Cloth              | 78.0                       | Glenagarry Cottons Ltd.                                                                                                             | Cornwall, Ont.                                    | 4-8¢                        | Jan. 3/49                                            | 120                        |
| Woolen Yarn & Cloth              | 75.7                       | Franco-Canadian Dyers Ltd.<br>Demetre, Sault & Criez Ltd.<br>St. Johns Textile Mills Ltd.                                           | St. Johns, P.Q.<br>"<br>"                         | 5¢<br>5¢<br>5¢              | Jan. 19/49*<br>"<br>"                                | 175<br>95<br>155           |
| Silk & Artificial<br>Silk Goods  | 77.4                       | Belding-Corticelli Ltd.<br>Dominion Burlington Mills Ltd.                                                                           | St. Johns, P.Q.<br>Sherbrooke, P.Q.               | 8¢<br>15-20¢                | Dec. 20/48<br>Jan. 19/49                             | 195<br>450                 |
| Garments & Personal<br>Furn.     | 73.9                       | Montreal Cloak Industry<br>Charlebois Hat Co.                                                                                       | Montreal, P.Q.<br>"                               | 6½¢<br>10¢                  | Dec. 1/48<br>Jan. 29/49*                             | 1000<br>40                 |
| Chemicals & Allied<br>Products   | 95.1                       | Consolidated Mining & Smelting<br>Co. of Canada                                                                                     | Calgary, Alta.                                    | 16¢                         | Jan. 24/49*                                          | 275                        |
| Glass Products                   | 90.0                       | Pinkington Bros. Ltd.<br>W. Holt & Sons<br>Bogardus Wickens Ltd.<br>Hobbs Glass Ltd.                                                | Vancouver, B.C.<br>"<br>"<br>"                    | (2)<br>(2)<br>(2)<br>(2)    | Dec. 1/48<br>"<br>"<br>"                             | 35<br>15<br>50<br>70       |
| Electrical Apparatus             | 104.6                      | Canadian General Electric Co.<br>(Davenport Works, Draughtsmen)<br>Pioneer Electric Ltd.                                            | Toronto, Ont.<br>Winnipeg, Man.                   | (3)<br>10¢                  | Jan. 20/49*<br>Jan. 21/49*                           | 80<br>40                   |
| Machinery other than<br>Vehicles | 99.8                       | Leeds Steel Products Ltd.<br>Coffield Washer Co. Ltd.<br>Beaver Laundry Machinery Co. Ltd.                                          | Leaside, Ont.<br>Hamilton, Ont.<br>Toronto, Ont.  | 5-20¢<br>5¢<br>9¢<br>15-35¢ | Sept. 1/48<br>Jan. 1/49<br>Dec. 23/48<br>Jan. 14/49* | 25<br>90<br>75             |
| Iron & Steel Fabri-<br>cation    | 102.8                      | Hamilton Bridge Co.                                                                                                                 | Hamilton, Ont.                                    | 15¢                         | Jan. 21/49*                                          | 320                        |
| Aluminum & Its Products          | 102.9                      | Canada Foils Ltd.                                                                                                                   | Toronto, Ont.                                     | 5-25¢                       | Jan. 1/49                                            | 200                        |
| TRANSPORTATION                   |                            | Trans-Canada Air Lines<br>(Captains & First Officers)                                                                               | Canada                                            | (4)                         | Nov. 1/48                                            | 300                        |
| CONSTRUCTION                     |                            |                                                                                                                                     |                                                   |                             |                                                      |                            |
| Building                         | 105.0                      | Plumbers & Steamfitters<br>Electrical Workers<br>Plumbers & Steamfitters                                                            | Toronto, Ont.<br>Victoria, B.C.<br>Montreal, P.Q. | 15¢<br>25¢<br>15¢           | Jan. 1/49<br>Jan. 13/49*<br>Jan. 17/49*              | 1,500<br>70<br>1,800       |
| SERVICES                         | 61.2                       |                                                                                                                                     |                                                   |                             |                                                      |                            |
| Hotels & Restaurants             | 60.8                       | Mount Royal Hotel<br>Laundry Workers                                                                                                | Montreal, P.Q.                                    | 5-18¢                       | Jan. 19/49*                                          | 60                         |
| Personal                         | 62.1                       | Guarantee Cleaners & Dyers                                                                                                          | Vancouver, B.C.                                   | 6¢                          | Jan. 15/49*                                          | 10                         |
| TRADE                            |                            | Coal Truck Drivers                                                                                                                  | Toronto Area, Ont.                                | 10¢                         | Jan. 21/49*                                          | 900                        |

(1) The average hourly earnings quoted in the tables are for November 1, 1948, as published by the Dominion Bureau of Statistics.

(2) 12½¢ or 10¢ per hour, whichever is greater.

(3) \$3.50 per week.

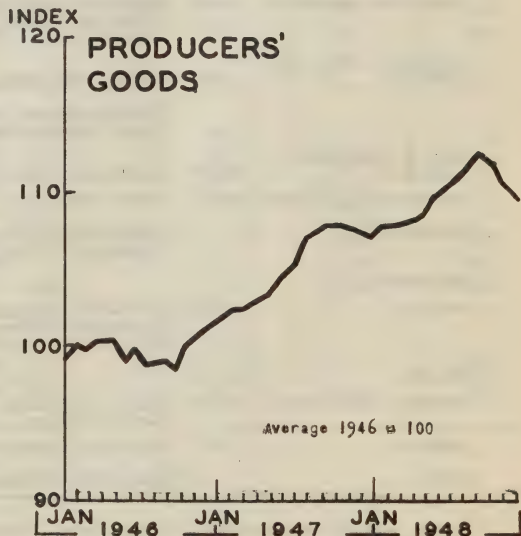
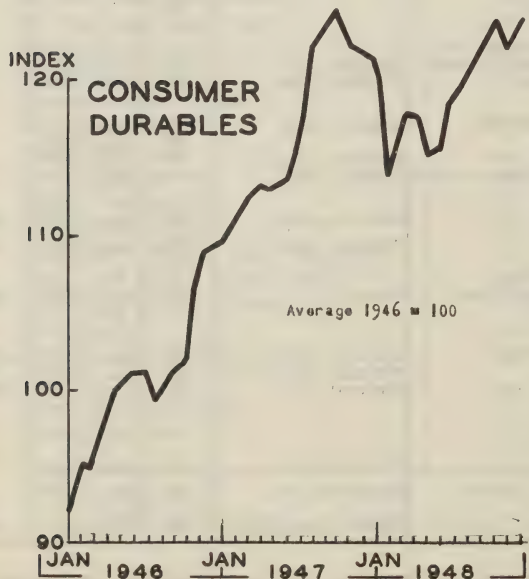
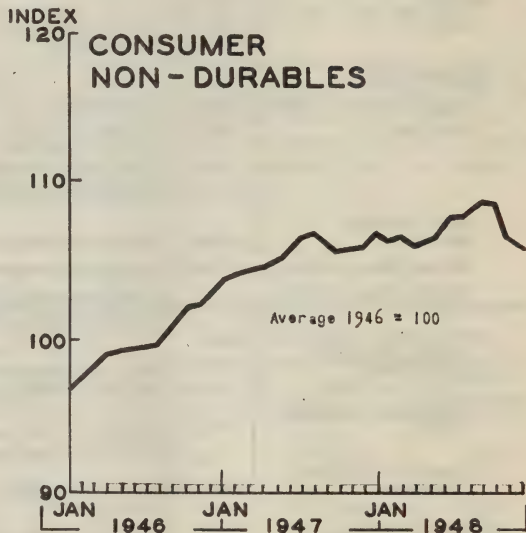
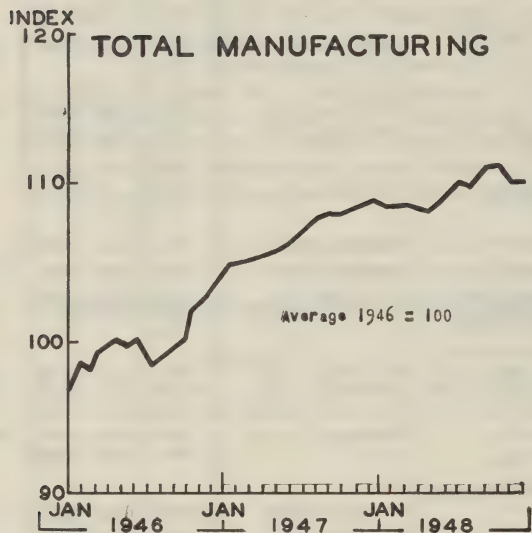
(4) Increases averaging \$30 per month.

\* Date of press announcement.



# EMPLOYMENT TRENDS IN MANUFACTURING INDUSTRIES

(SEASONALLY ADJUSTED)



## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

During January, reported lay-offs in manufacturing industries totalled 6,578, a drop of 41 per cent from the previous month. Fifty-three per cent of the lay-offs were caused by lack of orders, with the automobile industry most seriously affected. Shortages of material, chiefly iron and steel, accounted for 20 per cent; the majority of these were in railway rolling stock manufacturing.

During January 41 per cent fewer persons were laid off from manufacturing industries than during December, according to reports received by the Department of Labour. Staff reductions in the automobile industry were down about 60 per cent due to the fact that the majority of the larger automobile manufacturers closed their plants for re-tooling during the Christmas season, while comparatively few shut down in January. Lay-offs in the rubber products industry dropped from 2,289 in December to 202 in January; lessened demand for rubber footwear because of the exceptionally mild winter plus the cancellation of several export orders were responsible for the heavy staff reductions in December.

Over half of the 6,578 lay-offs reported during January were due to shortages of orders. The South African government's recent action limiting funds for importation of vehicles and other goods resulted in the release of 950 automobile workers from a Windsor firm. Further cut-backs in wood products manufacturing because of poor market conditions occurred in January; the 414 reported lay-offs were mainly in British Columbia. Lay-offs due to lack of orders also occurred in glass products, paper products, food and shipbuilding.

Material shortages caused lay-offs totalling 1,298. Included in this figure were one thousand workers released from railway rolling stock manufacturing plants because of a lack of steel. Insufficient aluminum supplies resulted in a lay-off of 185 workers from an aluminum foil manufacturing plant in eastern Canada.

Re-tooling for new model cars caused short term staff reductions totalling 684. However, the majority of the laid off automobile workers will be unemployed for less than a month.

The shortage of power in British Columbia, caused by severe cold and storms tied up production in a number of sawmills there. Lay-offs for this reason amounted to 426, or 7 per cent of the total.

Lay-offs for "other causes" included: fire - 250 workers released; more efficient production methods - 195; out of business - 160; machinery repairs - 50; and financial difficulties - 30.

Table 1--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause

| Cause of Lay-off          | January, 1949 |          | December, 1948 |          | November, 1948 |          |
|---------------------------|---------------|----------|----------------|----------|----------------|----------|
|                           | Number        | Per Cent | Number         | Per Cent | Number         | Per Cent |
| Shortage of Orders .....  | 3,485         | 53.0     | 5,534          | 49.3     | 2,352          | 55.3     |
| Shortage of Materials ... | 1,298         | 19.7     | 675            | 6.0      | 100            | 2.4      |
| Re-tooling .....          | 684           | 10.4     | 3,908          | 34.8     | 110            | 2.6      |
| Shortage of Power .....   | 426           | 6.5      | 150            | 1.3      | 1,323          | 31.1     |
| Other causes .....        | 685           | 10.4     | 970            | 8.6      | 368            | 8.6      |
| Total .....               | 6,578         | 100.0    | 11,237         | 100.0    | 4,253          | 100.0    |

Table 2--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry

| Industry                               | January, 1949 |          | December, 1948 |          | November, 1948 |          |
|----------------------------------------|---------------|----------|----------------|----------|----------------|----------|
|                                        | Number        | Per Cent | Number         | Per Cent | Number         | Per Cent |
| Food and Beverages .....               | 322           | 4.9      | 404            | 3.6      | 357            | 8.4      |
| Tobacco Products .....                 | 50            | 0.8      | 100            | 0.9      | -              | -        |
| Rubber Products .....                  | 202           | 3.1      | 2,289          | 20.4     | 124            | 2.9      |
| Leather Products .....                 | -             | -        | 30             | 0.2      | 20             | 0.5      |
| Textile Products .....                 | 54            | 0.8      | 130            | 1.2      | 40             | 0.9      |
| Clothing .....                         | -             | -        | 145            | 1.3      | -              | -        |
| Wood Products .....                    | 1,171         | 17.8     | 1,083          | 9.6      | 711            | 16.7     |
| Paper Products .....                   | 414           | 6.3      | 30             | 0.3      | 230            | 5.4      |
| Printing and Publishing..              | -             | -        | 245            | 2.2      | -              | -        |
| Iron and Steel .....                   | 442           | 6.7      | 353            | 3.1      | 429            | 10.1     |
| Transportation Equipment.              | 2,937         | 44.6     | 5,843          | 52.0     | 1,305          | 30.7     |
| Non-Ferrous Metals .....               | 256           | 3.9      | 150            | 1.3      | 708            | 16.6     |
| Electrical Apparatus ....              | 42            | 0.6      | 40             | 0.4      | -              | -        |
| Non-Metallic Mineral<br>Products ..... | 638           | 9.7      | 233            | 2.1      | 70             | 1.6      |
| Chemical Products .....                | 50            | 0.8      | -              | -        | 154            | 3.6      |
| Miscellaneous .....                    | -             | -        | 162            | 1.4      | 105            | 2.6      |
| Total.....                             | 6,578         | 100.0    | 11,237         | 100.0    | 4,253          | 100.0    |

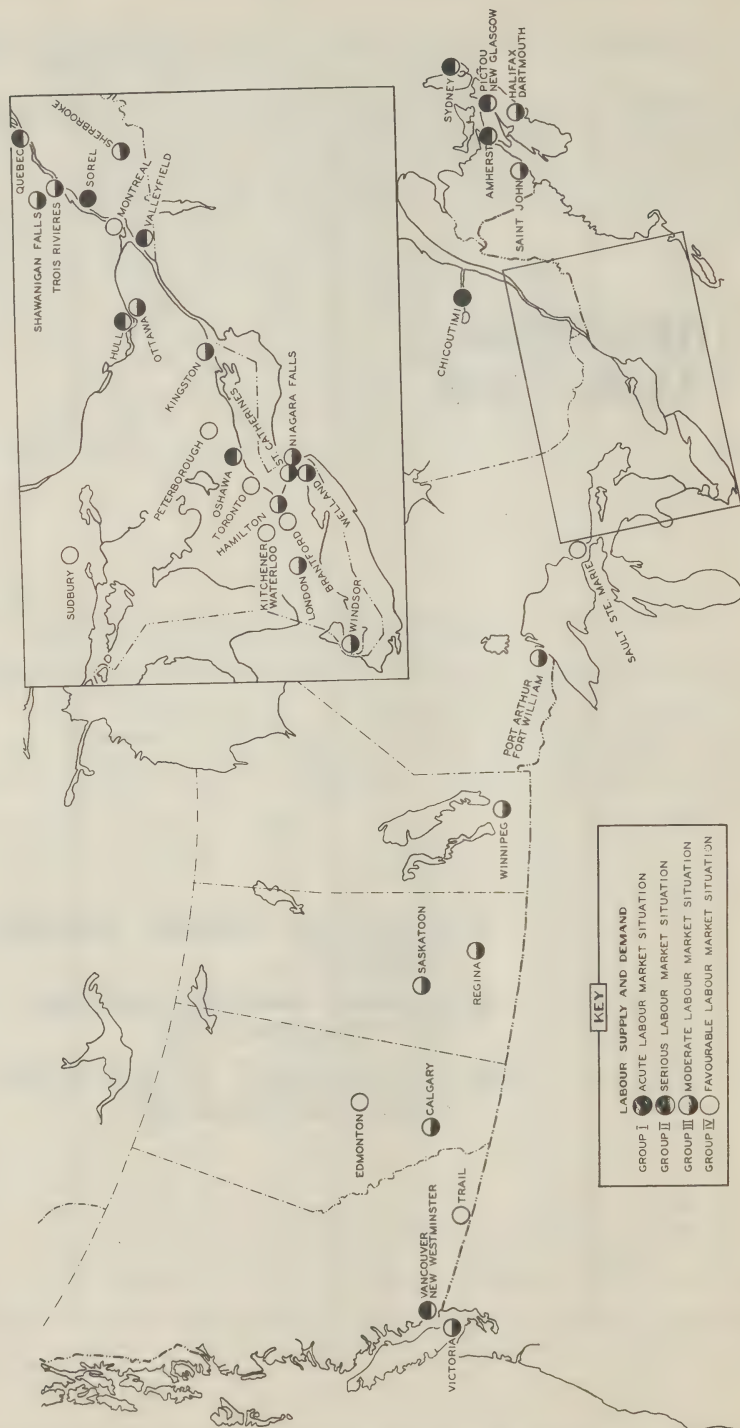


# REGIONAL ANALYSIS

- ▲ REGIONAL LABOUR MARKET  
SUMMARY
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF  
PLANT EXPANSION

# A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT FEBRUARY 1, 1949



## REGIONAL LABOUR MARKET SUMMARY

January saw the seasonal low in employment for most regions. Those regions in which primary industries weight the economy heavily were most affected, and thus B.C., the Prairies and the Maritimes reported the least employment activity. Ontario and Quebec, with sustaining manufacturing industries, were less influenced by seasonal factors and employment showed greater stability.

### THE MARITIMES --

Seasonal influences were in full force during January. New Brunswick particularly was affected and many seasonal workers were temporarily displaced. Employment activity in Nova Scotia, however, seemed to be holding up very well, and at the end of January, Halifax, Sydney, New Glasgow and other centres recorded fewer persons seeking work than at the same time last year. The major industrial groups continued to support higher employment, especially construction.

Mild weather has enabled an exceptionally high level of building to be carried on this winter. Almost all skilled tradesmen were fully employed and prospects were good for the coming season.

The lack of snow seriously held up logging operations, however, where employment was already below normal because of the weak market facing the industry. Maritime lumboermen still hoped to obtain contracts in the U.K. similar to those for 1948, although the large orders of the immediate postwar years were not expected.

Coal mines were operating steadily and no lay-offs or production difficulties were anticipated. Negotiation of the 1949 collective agreement was under way in most mines and already a settlement had been reached between the main company and the union.

Waterfront employment was erratic. The absence of U.K. contracts for lumber and farm produce has reduced the amount of package freight this season, but grain was moving steadily through the ports.

In manufacturing, uncertainty clouded the outlook since minor or major interruptions to production loomed as a possible outcome of several wage negotiations now in progress.

Sydney: The steel plant was still working at capacity and further plant expansion was planned with Government co-operation.

Moncton: The textiles industry reported difficulties concerning rising costs and weakening markets which might affect employment.

Lunenburg: The fishing industry was affected by bad weather and high winds; as a result, small landings of fish have forced processing plants to work only part-time.



QUEBEC --

The outlook for Quebec at the outset of 1949 was good. Employment had risen during 1948 to a point slightly above the peak of the war boom, and further expansion was indicated. Machinery, transportation equipment, textiles and clothing manufacturing, and mining were expected to step up their activities, and a heavy construction program was indicated; the outlook for logging and shipbuilding was not as bright owing to market difficulties.

During January, employment was at the seasonal low. General industrial activity rose slightly towards the end of the month, however, reflecting the larger and more evenly distributed supply of hydro-electric power. Textile mills, furniture factories and heavy industries continued to operate near capacity. Aircraft production ran into a tight material supply situation, but hirings were steadily maintained.

Tanneries and shoe manufacturers were still operating on a reduced scale because of buyer resistance on the retail level, and no improvement was expected until a price adjustment took place.

In the clothing industry, a wage boost was anticipated. The increase would affect over 6,500 members of the International Ladies' Garment Workers of America.

Woods operations have finished with cutting, but hauling has been delayed for some weeks because of snow and mild weather. Sawmills were again in full production, absorbing much surplus labour.

Mining employment was increasing, and, with a sufficient supply of labour for the first time in recent years, tonnage was rising and new activities were planned.

Construction employment was at the seasonal mid-winter low, although it was hoped that an early start could be made on the heavy program for spring and summer of all kinds of construction in the residential and utility fields.

The tourist trade in various resort areas was well below last year's volume because of the lack of snow.

Shawinigan Falls and Chicoutimi: The hydro situation still affected employment adversely.

Sherbrooke: Textile plants are busy with orders on hand; pulp and paper companies ran into over-production difficulties due to a drop in their export market for fine paper.

Sorel: Preliminary work has started on an ore-processing plant and railroad for copper mines in the Lake Allard district.

ONTARIO --

Ontario adjusted to winter weather conditions without any serious disruption of employment. The labour market was quiet during January, although the larger supply of available workers brought about some new developments--labour turnover was down, inefficient staff was being weeded out, and employers' hirings became increasingly selective. Seasonally displaced workers had some difficulty finding jobs but few centres reported any great degree of unemployment.

Year-end stock taking revealed heavier inventories this year in many manufacturing firms. This caused a certain apprehension among employers, although the employment trend for the manufacturing industry as a whole still pointed upwards, if only slightly. Textile firms were operating fully, with no shortage of labour. Meat plants were reducing

employment seasonally, although declining export markets were also a factor. Iron and steel industries were working at full capacity; new production records were reached in 1948 although steel was still insufficient to meet demand.

Mild weather extended the construction season this year and skilled tradesmen were still being hired. The mining industry appeared to have built up sufficient staff and few hirings were taking place. In logging, lay-offs were beginning as hauling started, but with the lower employment level this year fewer workers were affected.

Windsor: A major lay-off affecting 950 workers occurred in the auto industry because of the loss of the South African export market.

Hamilton: A stability in employment has been evident over the past few months and indications are that production has caught up with demand in many manufacturing industries. A return to normalcy seems indicated, as the competitive factor again appears.

London: Firms exporting overseas reported weaknesses in these markets, and those producing for the domestic market were facing competitive marketing conditions as to quality and price--indicating a buyer's market ahead.

St. Catharines: Like several cities in this area, St. Catharines supports such active seasonal industries as construction, agriculture, canning and wine making, lake shipping and canal transportation, in the summer. Thus although employment was higher in January than in previous years, moderate unemployment of seasonally displaced workers existed.

#### THE PRAIRIES --

Employment conditions during January reflected the seasonal lull but renewed activity was expected shortly.

Plans were nearing completion for the expansion of ore bodies at the Steep Rock Iron Mines to raise tonnage to three million tons per year. Employment in this area is expected to treble within the next twenty months. In coal mining, the box-car shortage still held employment down. Wage negotiations were in progress -- the United Mine Workers of America were asking coal operators of Alberta and British Columbia for increases ranging from \$2.50 to \$3.00 per day; the present agreement expires on February 16, 1949.

All wood manufacturing industries, from sawmills to furniture factories, were operating at capacity. Logging itself was nearing the end of its season with hauling well advanced in most areas, but lay-offs had not yet begun. A reduction in pulp cutting employment has occurred this season since stockpiles are now at the pre-war level and are ample for pulp and paper production until next year.

Construction activity was at a minimum during January, but another large scale construction program was scheduled for 1949 as soon as weather permits. The type of work planned indicates healthy, normal development and basic expansion of employment since industrial, mining, housing, public utilities and service projects are each well represented. Rural electrification programs in Alberta and particularly in Manitoba should make good progress.

Sugar beet growers in Alberta have applied for 200 family groups of displaced persons for the coming year's work, which, at an average of

four workers per family, will mean an additional 800 workers for the industry.

Winnipeg, Edmonton and Calgary: Normal employment conditions for the time of year were reported, with little change from last year.

Fort William and Port Arthur: An increase in unplaced applicants reflected the lower level of logging employment this season.

#### PACIFIC —

Temporary disruptions of employment continued in this region during January. Heavy snows, cold weather, and power shortages added to the already steep seasonal decline. The year had also seen a larger than usual influx of Prairie workers during the winter, which increased the labour surplus. Then again, market difficulties in lumber and ship-building had not yet been solved, and lay-offs were still taking place.

However, the region was fortunate in that most major industries were covered by unemployment insurance, and, while some casual transient workers were not eligible, the majority of job-seekers were in receipt of benefits. Unemployment insurance coverage had been extended to logging during 1948, which step alone provided for a large group of unemployed since heavy snows and a weak market had forced many camp closures.

The heavy snows and cold weather during January caused severe power shortages and held up outside work. The power shortages necessitated 30 per cent cuts in the supply of industrial power for Vancouver, and this in turn affected employment and working hours. Critical power shortages also developed in Vernon, although no restrictions were yet in force. Sawmill production and employment was particularly affected, and unless the power supply recovered shortly, a shortage of sawdust fuel loomed.

The weather interrupted employment in construction and transportation as well as logging. As soon as conditions improve, however, a rapid recovery in employment is expected. A heavy construction program for both industry and government was already scheduled, and further plans were still being drawn up.



# LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unemployed applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at February 1, 1949, at January 1, 1949, and at February 1, 1948.

This classification is based on a ratio of unemployed applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unemployed applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for January and February of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>January<br>1,1949 | Group Rating      |                    |                   |
|----------------------------------------|----------------------------|-------------------|--------------------|-------------------|
|                                        |                            | January<br>1,1949 | December<br>1,1948 | January<br>1,1948 |
| <u>Population of 100,000 and over</u>  |                            |                   |                    |                   |
| Quebec.....                            | 156                        | II                | III                | III               |
| Vancouver.....                         | 152                        | II                | III                | III               |
| Windsor.....                           | 111                        | III               | III                | III               |
| Winnipeg.....                          | 75                         | III               | III                | III               |
| Victoria.....                          | 72                         | III               | III                | IV                |
| Calgary.....                           | 69                         | III               | IV                 | III               |
| Ottawa.....                            | 55                         | III               | IV                 | III               |
| Hamilton.....                          | 52                         | III               | IV                 | IV                |
| Edmonton.....                          | 49                         | IV                | IV                 | IV                |
| Montreal.....                          | 38                         | IV                | IV                 | IV                |
| Toronto.....                           | 35                         | IV                | IV                 | IV                |
| <u>Population of 50,000 to 100,000</u> |                            |                   |                    |                   |
| Sydney.....                            | 208                        | II                | II                 | II                |
| Fort William - Port Arthur.....        | 108                        | III               | III                | III               |
| Saint John.....                        | 92                         | III               | III                | III               |
| Halifax.....                           | 87                         | III               | III                | III               |
| Regina.....                            | 67                         | III               | IV                 | III               |
| London.....                            | 50                         | III               | IV                 | IV                |
| Kitchener-Waterloo.....                | 18                         | IV                | IV                 | IV                |
| <u>Population of 25,000 to 50,000</u>  |                            |                   |                    |                   |
| Chicoutimi.....                        | 307                        | I                 | II                 | III               |
| Hull.....                              | 201                        | II                | III                | II                |
| Oshawa.....                            | 182                        | II                | II                 | III               |
| Shawinigan Falls.....                  | 148                        | III               | III                | III               |
| Sherbrooke.....                        | 113                        | III               | III                | IV                |
| Three Rivers.....                      | 101                        | III               | III                | III               |
| St. Catharines.....                    | 71                         | III               | III                | III               |
| Kingston.....                          | 66                         | III               | IV                 | III               |
| Saskatoon.....                         | 59                         | III               | IV                 | III               |
| Peterborough.....                      | 44                         | IV                | IV                 | IV                |
| Brantford.....                         | 43                         | IV                | IV                 | IV                |
| Sault Ste. Marie.....                  | 33                         | IV                | IV                 | IV                |
| Sudbury.....                           | 25                         | IV                | IV                 | IV                |
| <u>Population of under 25,000</u>      |                            |                   |                    |                   |
| Sorel.....                             | 400                        | I                 | I                  | I                 |
| Pictou - New Glasgow.....              | 185                        | II                | II                 | II                |
| Valleyfield.....                       | 165                        | II                | II                 | III               |
| Amherst.....                           | 157                        | II                | III                | II                |
| Welland.....                           | 98                         | III               | III                | III               |
| Niagara Falls.....                     | 50                         | III               | IV                 | IV                |
| Trail.....                             | 38                         | IV                | IV                 | IV                |

## EMPLOYMENT EFFECTS OF PLANT EXPANSION

There is good reason to believe that industrial expansion during 1949 will continue at a high level, although a decline is expected compared to 1948. It will be some time, however, before the extent of the decline will be evident. The value of contracts awarded during January, 1949, was exceptionally high, but this does not necessarily indicate the trend for the whole year.

While general construction activity this year is expected to continue at a level comparable with 1948, a decline in industrial building is anticipated. Nevertheless, the value of industrial contracts awarded in January, 1949, at \$9.2 million was higher than for any January during the past ten years with the exception of 1946 when the value was \$9.3 million. The total value for all types of construction in January at \$72.8 million far surpassed that for any similar month since 1939.

There has, however, been a gradual decline in the rate of industrial expansion since the peak year 1946. The Department of Labour has received reports which show that some 20,000 new jobs were created during 1948 by the establishment of new plants; the figure will likely be lower in 1949.

The effect of industrial expansion on employment is often not immediate since there is a considerable time lag between the awarding of a contract and the completion of a new building and installation of new machinery. Moreover, while production may commence in new plant facilities at a given time, full production and full employment are not usually achieved for several months afterwards.

Many projects begun in 1948 will not be completed until 1950 and 1951. Examples of these are as follows:

- (1) The Quebec Iron and Titanium Corporation will not complete construction of an ore refinery and rail line until 1951.
- (2) The H. R. MacMillan sulphite mill at Nanaimo, B. C. will not be finished until late in 1950.
- (3) The Canadian Celanese Corporation of American plant at Prince Rupert, B. C., will not be completed until 1950.



INDUSTRIAL EXPANSION AND NEW JOBS

| Area                   | Industry and Name of Company                                  | Type of Expansion | Number of New Employees | Probable Time of Commencement of Production |
|------------------------|---------------------------------------------------------------|-------------------|-------------------------|---------------------------------------------|
| Beauharnois, P.Q.      | Wood Products<br>J.W. Kilgour & Bro. Ltd.                     | P. E.             | 50                      | 3rd Qtr/48                                  |
| Quebec, P.Q.           | Wood Products<br>La Compagnie De Fibre de Quebec              | P. F.             | 150                     | 3rd Qtr/48                                  |
| Ville La Salle, P. Q.  | Paper Products<br>The Arborite Co. Ltd.                       | P. E.             | 100                     | 3rd Qtr/48                                  |
| Windsor Mills, P.Q.    | Paper Products<br>Canada Paper Co.                            | P. E.             | 70                      | 2nd Qtr/49                                  |
| St. Thomas, Ont.       | Iron and Steel<br>Canada Iron Foundries Ltd.                  | P. E.             | 10                      | 2nd Qtr/48                                  |
| Stratford, Ont.        | Rubber Products<br>G. L. Griffith and Sons Ltd.               | P. E.             | 25                      | 4th Qtr/48                                  |
| Toronto, Ont.          | Paper Products<br>Index Card Co. Ltd.                         | P. F.             | 15                      | 3rd Qtr/48                                  |
| Toronto, Ont.          | Rubber Products<br>Dunlop Tire & Rubber Goods Co. Ltd.        | N. P.             | 150                     | 1st Qtr/48                                  |
| New Westminster, B. C. | Chemical Products<br>American-Marietta Company of Canada Ltd. | N. P.             | 7                       | 3rd Qtr/48                                  |
| Vancouver, B. C.       | Paper Products<br>Bartram Paper Products Co. Ltd.             | P. E.             | 60                      | 1st Qtr/48                                  |
| Vancouver, B. C.       | Wood Products<br>Bloedel, Stewart & Welch Ltd.                | P. E.             | 12                      | 2nd Qtr/48                                  |
| Vancouver, B. C.       | Petroleum Products<br>Shell Oil Co. of B. C. Ltd.             | P. E.             | 10                      | 1st Qtr/48                                  |
| Burnaby, B. C.         | Petroleum Products<br>Standard Oil Company of B. C. Ltd.      | N. P.             | 7                       | 2nd Qtr/48                                  |







A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
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Organized Movements  
of Seasonal Workers  
in Agriculture

Volume 5

Number 4



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CANADIAN LABOUR MARKET, April, 1949

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CANADIAN LABOUR MARKET  
Research and Statistics Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

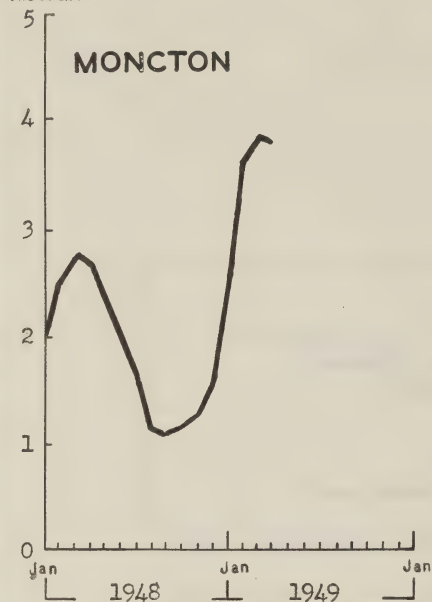
# NATIONAL ANALYSIS

- ▲ THE CURRENT LABOUR  
MARKET
- ▲ ORGANIZED MOVEMENTS  
OF SEASONAL WORKERS  
IN AGRICULTURE
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES

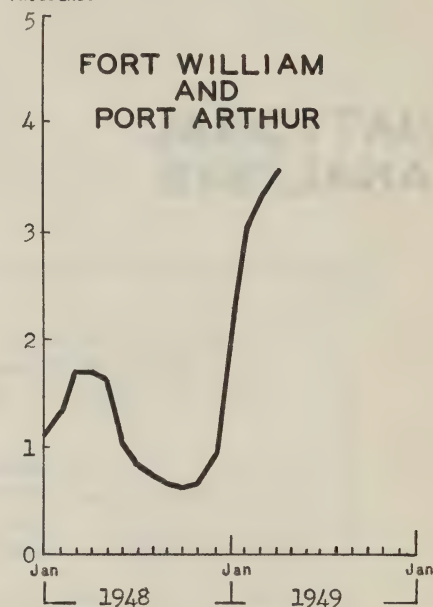
# UNPLACED APPLICANTS

(NATIONAL EMPLOYMENT SERVICE)

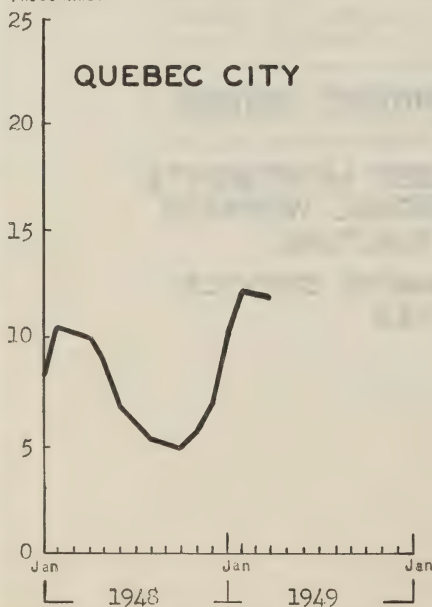
Thousands



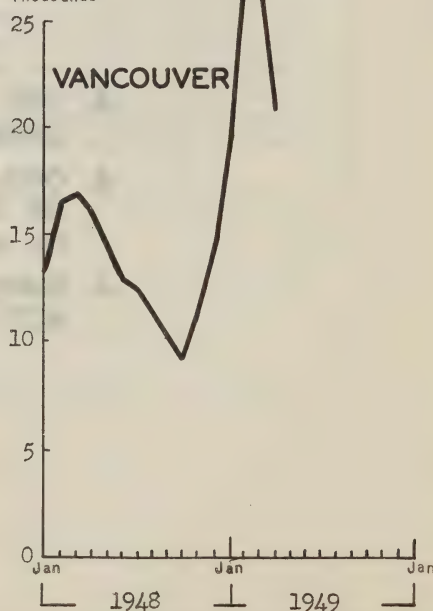
Thousands



Thousands



Thousands





# THE CURRENT LABOUR MARKET

The pockets of seasonal unemployment which existed in the winter months began to diminish rapidly during March. By the middle of April, improved weather conditions had resulted in a sharp drop in unemployment and a steady rise in jobs available throughout the country. In Manitoba, however, subnormal temperatures retarded farm activity for a short period, while some lay-offs in Ontario and Quebec occurred as a result of declining export

The resumption of seasonal activity in the labour market now is well under way. By the middle of April, unemployment was rapidly diminishing in most areas throughout the country. At April 14, unplaced applicants registered with National Employment Service offices numbered 230,000, about 35,000 less than at February 24 when the peak was reached. In addition, the number of claimants for unemployment insurance benefits decreased sharply during March; at the end of the month, ordinary live claims amounted to 186,000, about 23,000 less than a month earlier.

The current rapid drop in unemployment illustrates the considerable extent to which employment conditions during the past winter were seasonal and temporary. At their peak, unplaced applicants amounted to 64,000 more than at the same date in 1948; they now are 46,000 more than a year ago at the same time. The difference between the number of ordinary live claims this year as compared with last has also narrowed in recent weeks. At the end of February, 1949, live claims numbered about 63,000 more than one year earlier; one month later, the difference had been reduced to 49,000.

Two developments stand out as of major importance in respect to labour market activity during the past year. In the first place, record levels of activity were achieved in the summer and fall of 1948. Total employment, volume of work performed, average hourly and weekly earnings, and total labour income all reached new high levels. Secondly, it has become increasingly apparent in recent months that a new phase of labour market conditions is developing. Market conditions have become intensively competitive for a steadily growing list of commodities. This list now includes such items as fish, coal, butter, some canned vegetables, clothing, flour and feed, woollen goods, fine papers, many small household goods, many rubber goods, chemicals and lumber.

As a result of such market conditions, employers have become much more cautious about enlarging their staffs. They are now insistent on relatively high qualifications for any new staff which they do hire and are also weeding out inefficient workers wherever possible. In addition, they are constantly examining their production methods in order to reduce unit costs as much as possible. Although a few such tendencies were apparent one year ago, they are now more general throughout all industries.

Workers themselves are showing a greater inclination to stay on the job. Labour turnover and absenteeism have decreased markedly during the past twelve months and production per worker has increased. The recent rise in the real weekly earnings of manufacturing workers has tended to ease the demand for additional wage increases. In industries where production has declined, either lay-offs have occurred or the employees are working shorter hours. In these cases, the spotlight has been thrown upon those provisions in existing collective agreements which deal with the procedures for lay-offs.

The impact of these recent developments on the labour market has varied across the country. Some areas have been affected to a very small extent, if at all. Other sections of the country, mostly in the Maritimes, Quebec, and British Columbia, have felt their effects to a relatively high degree and pockets of unemployment have developed, especially during the seasonally inactive winter months.

In the Maritimes, many coal mines have been operating on short time because of lack of orders and this has affected the labour market in Sydney and New-Glasgow - Pictou. The decline in logging and transportation employment in this region has been felt in both Moncton and Saint John. In the latter centre, shipbuilding activity is also low.

In Quebec, inactivity in the number of manufacturing industries has reduced labour market activity in Sorel, St. Jerome, St. Hyacinthe, Chicoutimi and Quebec City. In the latter two centres, the decline in logging employment this winter was also an important factor in the situation.

Labour market conditions throughout Ontario and the Prairie Provinces have been generally favourable. Relatively large surpluses of workers accumulated in Oshawa and Windsor and in Fort William and Port Arthur, but these situations were only temporary. In the first two centres, there were large temporary lay-offs from the automobile manufacturing firms for a few weeks while re-tooling for new models took place. In Fort William and Port Arthur, a large number of loggers moved into the area in search of employment when logging camps closed. These workers, however, are already obtaining new jobs in construction, lake transportation, agriculture and mining.

In British Columbia, a number of adverse developments during the winter resulted in a large labour surplus. Severe winter weather created hydro electric shortages and held up logging and construction operations. In addition, markets for the lumber and shingle industries weakened considerably and the usual influx of Prairie workers again took place. As a result, employment conditions in Vancouver particularly were unfavourable during January and February. A rapid improvement in this situation has evolved, however, and labour shortages are now expected during the summer months.

Most of these recent developments represent adjustments which are currently taking place in the labour market rather than any serious permanent decline in activity. The recent return of wartime compulsory savings, the reduction in income taxes, and the general decline in sales taxes on many articles are all developments which stimulate purchasing power. Total labour income continues to be well above last year's level, and this will help in maintaining the over-all demand for goods and services. Nevertheless, the changing conditions which are being encountered in many export markets may present some difficulties during the rest of this year.

# SELECTED LABOUR MARKET TRENDS

| Indicator                                      | Latest Data |               | Percentage Change   |                           |                                              |
|------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                | Month       | Amount        | From Previous Month | From Same Month Last Year | To Date This Year From Same Period Last Year |
| Immigration .....                              | Feb.        | 7,000         | 0.0                 | +27.6                     | +13.2                                        |
| Civilian Labour Force (a) ....                 | Nov. 20     | 4,964,000     | - 2.8               | + 0.6                     | + 1.5                                        |
| Total Employment (a) .....                     | Nov. 20     | 4,858,000     | - 3.7               | + 0.2                     | + 1.4                                        |
| Total Unemployment (a).....                    | Nov. 20     | 106,000       | +58.2               | +21.8                     | + 4.8                                        |
| Industrial Employment (b) ....                 | Feb. 1      | 2,076,000     | - 2.9               | + 1.8                     | + 1.8                                        |
| Unplaced Applicants (c).....                   | Apr. 1      | 247,000       | - 5.8               | +27.2                     | +31.6                                        |
| Live Claims .....                              | Mar. 1      | 209,000       | + 5.6               | +43.0                     | +48.2                                        |
| Labour Income .....                            | Jan.        | \$608,000,000 | - 1.6               | +11.6                     | +11.6                                        |
| Average Weekly Earnings (d) ..                 | Feb. 1      | \$41.70       | - 0.7               | +12.5                     | +12.5                                        |
| Average Hourly Earnings (d) ..                 | Feb. 1      | \$ .97        | 0.0                 | +12.2                     | +12.2                                        |
| Real Weekly Earnings (e)<br>Av. 1946-100 ..... | Feb. 1      | 107.0         | - 0.6               | + 5.9                     | + 5.9                                        |
| Average Weekly Hours (d).....                  | Feb. 1      | 42.9          | - 0.7               | + 0.2                     | + 0.2                                        |
| Cost of Living<br>Av. 1935-39-100 .....        | Mar. 1      | 159.2         | - 0.2               | + 5.6                     | + 6.5                                        |
| Man-Working Days Lost<br>by Strikes .....      | Mar.        | 136,000       | +89.2               | +138.9                    | - 34.9                                       |
| Industrial Production<br>Av. 1935-39-100 ..... | Feb.        | 179.6         | + 0.6               | - 1.1                     | - 0.4                                        |

(a) Estimated on basis of a one per cent sample of the population.

(b) Based on firms of 15 or more workers in nine leading industries.

(c) Registered with National Employment Service Offices.

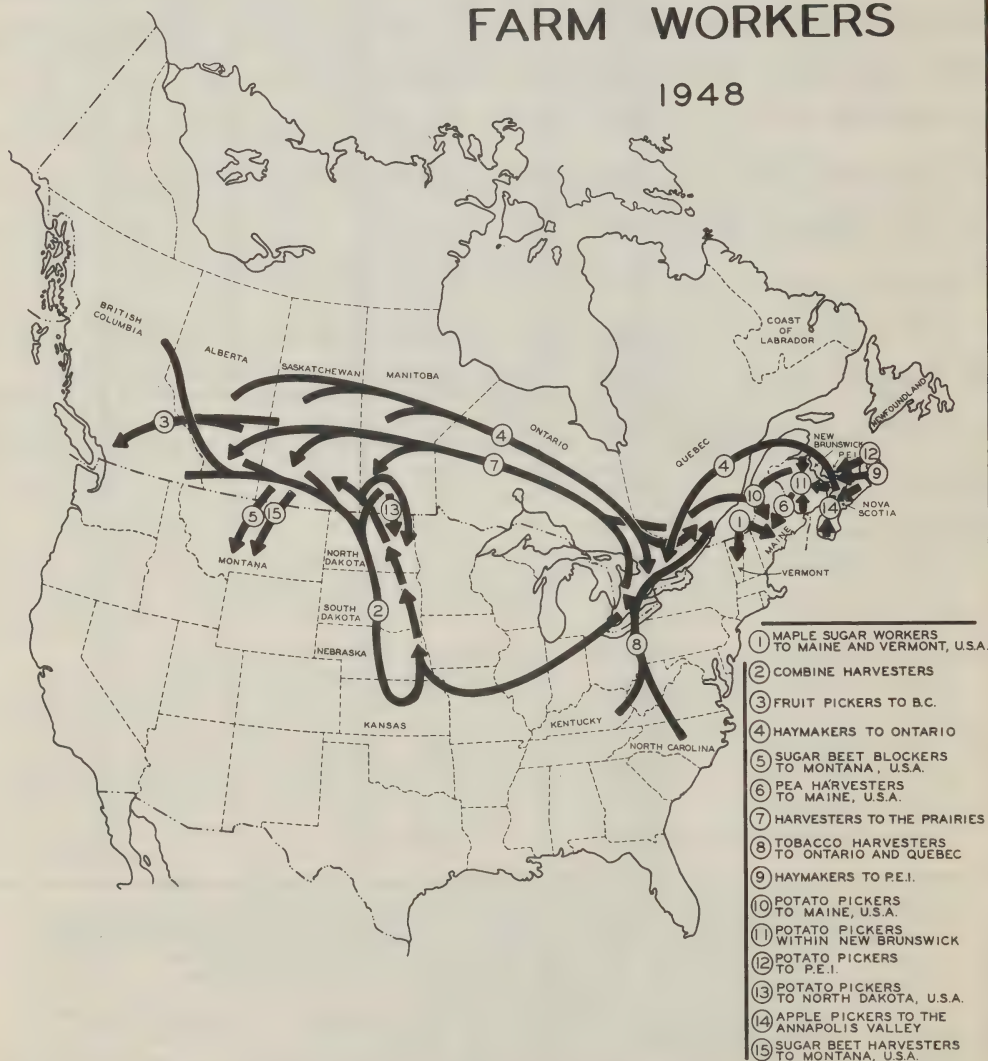
(d) Wage earners in manufacturing only.

(e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.



# ORGANIZED MOVEMENTS OF FARM WORKERS

1948



# ORGANIZED MOVEMENTS OF SEASONAL WORKERS IN AGRICULTURE

The Dominion-Provincial Farm Labour Committees across the country reported a successful program during the 1948 season. Farm labour requirements for the harvesting of special crops were met through 15 organized national and international movements in which approximately 16,000 persons took part. Plans are presently underway for a similar program during the coming season.

The present program of organized movements of agricultural workers for the harvesting of special crops in Canada is the product of many years' experience in meeting peak farm labour needs. As early as 1896, the railways were sponsoring a movement of grain harvesters from Eastern Canada to the Prairie provinces and, at about the same time, an annual trek of maple sugar workers from Quebec to Maine and Vermont was taking place. It is interesting to note that these represent the two types of movements which have grown in size and number since that time; the one, organized on a national pattern with workers moved from one district in Canada to another, and the other, on an international pattern with an interchange of farm labour between the United States and Canada.

The drifting of maple sugar workers to the United States began, and has continued to take place, with little formal direction. The western harvest movement, however, was fully organized almost from its inception. In the early years of this century, land was both cheap and plentiful in the West and settlers were intent on bringing as much of it as possible under cultivation. Transient and immigrant help proved adequate for the first few years; then outside help in large numbers during harvesting operations became a necessity. The situation was acute due to the brevity of the harvest season, the absence of other industries for off-seasonal work, and the great distance between the worker and the job. Two general policies have been followed: the railway policy, which covers the period from 1896 to 1919, including the special war-time measures; and the governmental policy, which started in 1920 and has continued with a few changes, down to the present.

Since the railway was the connecting link between the source of workers and the work to be done and since agricultural progress would mean more rail business, the existing railway companies undertook the task of organization. Through agents, through general advertisements in local papers and posters, and through reduced transportation rates, men were encouraged to "go West". This method of recruitment was not completely satisfactory since farmers in some localities overestimated their requirements and there was frequently some time loss to the harvester before he was located in employment. Prior to World War I, the governments of the three Prairie provinces made some attempt to regulate the flow of workers and sent representatives to meet the excursion trains. These activities were the earliest instances of active governmental interest in organized

farm labour movements.

In 1920, the governments of the Prairie provinces, operating through the Employment Service of Canada, took the initiative in the plan, and the railways were given the responsibility for obtaining most of the necessary workers and providing transportation for them. This practice continued until the depression years of the Thirties when, because of a greater supply of local labour, the increased mechanization of farm operations, and the decreased selling price of farm produce, activity in this field was suspended.

By 1942, the effect of the withdrawal of young men into the armed services and into war industries was being felt and the practice of organized movements was revived in order to utilize more fully all available labour. Under the authority of the War Measures Act, the Agricultural Division of National Selective Service initiated the Dominion-Provincial Farm Labour Program to direct the movement of farm workers to points where help was most needed. The railways again supplied reduced rates of transportation and, apart from a small payment by the worker, the federal and provincial governments paid the balance of the expenses incurred. Until 1947, the federal Department of Labour paid the inter-provincial expenses and shared with the Provincial Departments of Agriculture the intra-provincial expenses.

Following the signing of the Hyde Park Declaration of April, 1941 (1), a more systematic interchange of labour was begun with the United States. Immigration formalities were greatly reduced and other steps were taken to facilitate rapid seasonal movements across the border. The arrangements for each of the several movements of both men and machinery have been renewed annually. In each case, the transportation expenses were usually paid by either the operator or the worker.

At the end of World War II, it was still of primary importance that the production of agricultural products be kept at a high level and the practice of organized movements of workers has been continued on a year-to-year basis up to the present. Much of the responsibility for these movements has been assumed by the National Employment Service and the provincial Departments of Agriculture, working through the Dominion-Provincial Farm Labour Committee of each province. Except in special cases, the farm worker has paid a nominal sum towards transportation, the railways have offered reduced fares and the balance of expenses incurred has been shared equally by the federal government and the government of the province being serviced.

Since the end of the war, the number of movements of workers for handling special crops has tended to increase; this is an indication of the growing acceptance and popularity of this means of meeting seasonal labour needs. Care has been taken, through the National Employment Service, to explore all local sources of labour before any outside workers were moved into a district, and thus the movement has been a means of supplementing the local labour force.

These organized farm labour movements were again of vital importance in providing an adequate labour force for the 1948 harvest season. Fifteen individual movements took place, involving approximately 16,000 persons; eight of these, covering 9,000 workers, followed the international pattern. In 1947, there was a total of 13 movements with 20,000 persons participating; 12,000 persons crossed the border under

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(1) The Labour Gazette, December, 1947.



six organized movements and this resulted in the acquisition of thousands of American dollars.

Since plans are under way for 1949, it will be of interest to discuss briefly each of the movements which took place during 1948 and the outlook for the coming months insofar as it can be foreseen at this time.

#### Maple Sugar Workers to U.S.A.

The first movement in the 1948 season was that of 400 maple sugar workers to Maine and Vermont, U.S.A. This number has varied very little from year to year. The workers were mostly farmers from the southern part of Quebec who crossed the border late in March or early in April, either to go to their own sugar bushes in the United States or to work as helpers at locations that they have visited annually for many years. The Dominion-Provincial Farm Labour Committee in Quebec, in co-operation with the National Employment Service, arranges the necessary documentation. Transportation arrangements are made between the workers and the operators of the sugar bushes. The period of work varies from one to two months.

#### Combine Harvesters to U.S.A.

Each year since 1942, provision has been made for combine harvesting outfits and crews from the Prairie provinces to move across the border into the Mid-Western and Southern states for the grain harvest, followed by a reciprocal movement of United States outfits for the Canadian harvest. In 1942 and 1943, only a limited number of Canadian units participated; in 1945, 1946 and 1947, Canadian crews participating in this movement numbered 165, 460, and 1,150 respectively.

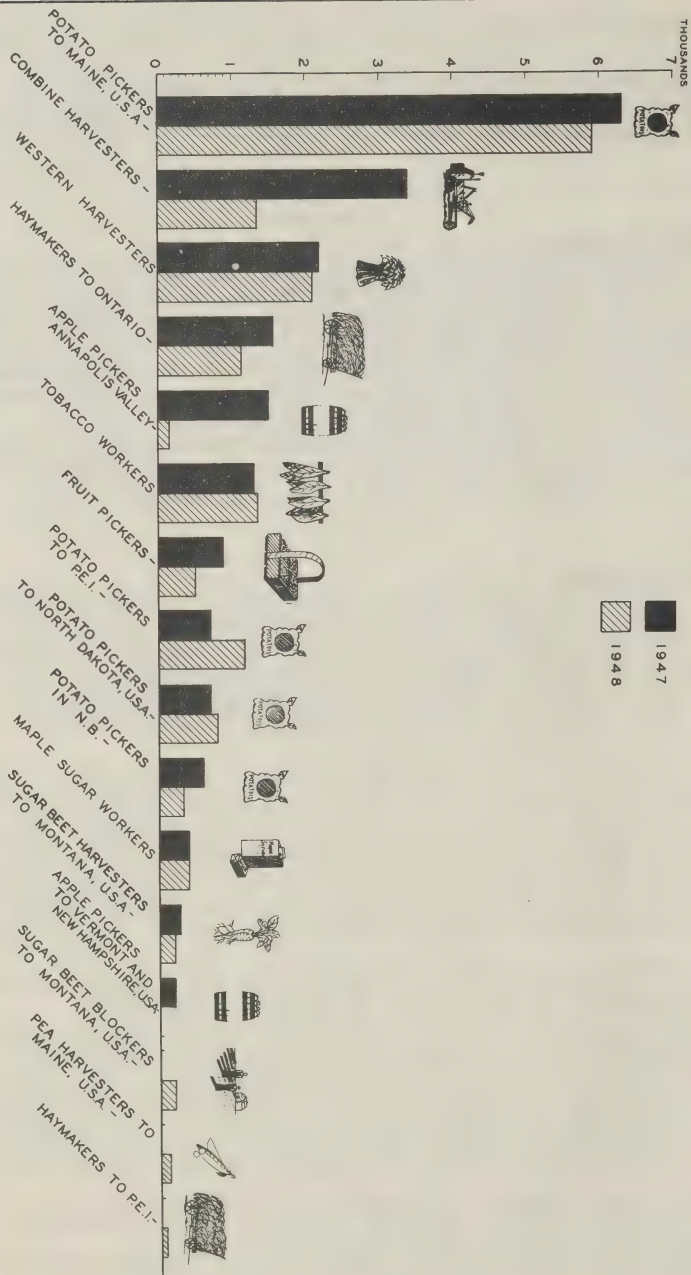
The grain crop in the United States was again a large one in 1948. Small crops in Texas and Oklahoma, however, and a greater supply of local equipment had substantially reduced the requirements for Canadian combines and workers. In all, some 441 combines and approximately 1,350 men were cleared at the United States border, although because of the good financial returns from the 1947 and earlier seasons, western farmers were prepared to go across the border in even greater numbers than they had the previous year.

As in 1947, the excess number of applications for border-crossing necessitated the allocation of permits to the provinces on a basis proportionate to their participation in the movement in the previous year. Worked out on this basis, 226 went from Saskatchewan, 104 from Alberta, 91 from Manitoba, 3 from Ontario and 2 from British Columbia. The workers who made the trip found the conditions of work satisfactory and the earnings high, although the harvesting season was shorter for many than during the previous summer. More American dollars were earned by this movement than by any other.

Some United States combine operators and crews again followed the harvest into Canada but their number was small.

In the fall, when the harvest was completed, 15 combine units from Manitoba crossed the border into North Dakota for the threshing of sunflowers.

# WORKERS INVOLVED IN ORGANIZED FARM LABOUR MOVEMENTS



### Fruit Pickers to British Columbia

The movement of workers to the fruit areas, mostly in the Fraser River Valley of British Columbia, began during World War II. Since that time, the need has persisted for additional outside workers to help harvest strawberries, raspberries, cherries and other small fruits. The migration has been confined to women workers from points in Alberta and Saskatchewan and many of these were housed in supervised camps with housekeeping accommodation. Some of them have usually finished out the season by taking jobs in the seasonally active tomato canning industry.

There was some confusion in connection with fruit pickers in the 1948 season as a result of the June floods in many areas of southern British Columbia. The unusual weather in the early spring, however, caused the fruit to ripen rapidly. The resultant urgent request for workers was difficult to fill since many who had made the trip in former years had, by this time, accepted other summer employment. A further delay in securing the needed fruit pickers was caused by the washouts along some railway lines, which not only necessitated the re-routing of many workers but also the canvassing of different areas than in previous years.

In June 1948, some 500 workers were despatched; the same number was recruited in 1947. They were employed for a period ranging from six weeks to five months, moving from one area to another as the various fruits ripened. To date, there has been no report of weekly earnings but it is estimated that they remained relatively the same as in 1947 when they ranged from \$18.00 to \$40.00 a week at the peak period. Except for \$10.00 paid by the worker on the way out and \$5.00 on the return trip, transportation costs were shared by the federal government and the province of British Columbia.

### Haymakers to Ontario

The movement of haymakers to the southern part of Ontario took place for the first time in 1943, when a great number of farm workers had withdrawn into other industry and into the armed forces. Western farmers came forward as they were available during the period between seeding and harvesting operations.

The supply of Western harvest hands had not been over-abundant in 1947 when 1,160 men had come to Ontario. In this year, the wages guaranteed had been relatively low as compared with those being paid by local industries in the Prairies where jobs were plentiful. A similar situation was evident in 1948. In addition, workers from Quebec were not available in 1948, whereas 400 men had taken part in the movement in 1947.

The estimated requirement for 1948 was 2,500 men, 500 more than the request last season. In June, only 920 Western farmers arrived to meet this demand. At the last moment, 225 Maritime workers, mostly from urban centres, were recruited by the Sydney, New Glasgow and Halifax Employment Service offices for harvest work in Ontario.

The workers were guaranteed board and a monthly wage of \$75.00; most of the experienced hands, however, received more than this amount. In the case of the haymakers from Western Canada, the workers paid \$10.00 each way for transportation and the Federal and Ontario governments shared the balance of the expense. The two governments bore the total travelling



costs in the case of the harvesters from the Maritimes. The latter movement was regarded as a measure to reduce the labour surplus in the Maritimes and these workers were encouraged to accept permanent work in Ontario.

The arrangements which had been made for the arrival in Ontario of some 1,200 Displaced Persons in the early part of July were of great importance in alleviating the labour shortage existing at that time.

#### Beet Blockers to Montana, U.S.A.

This is a newly organized movement. Through arrangements made between the respective Employment Services of the Canadian and United States governments, some 200 workers were moved during June from southern Saskatchewan to the sugar beet areas of Montana to help in the blocking of young beet plants. This is a tedious job for which the workers received the relatively high pay of \$12.00 a day and board. No financial arrangements were undertaken by the Canadian government.

#### Pea Harvesters to Maine, U.S.A.

For the third consecutive year, a request has been received for New Brunswick workers to aid in harvesting peas in eastern Maine. Some 500 men were recruited in Saint John but since the employers had greatly underestimated their local supply of labour, only 124 were actually despatched.

The workers earned approximately \$6.00 a day and their board for a period of from four to six weeks starting in July. No transportation assistance was given.

#### Harvesters to the Prairie

The oldest, longest and one of the most colorful, large-scale movements of workers in Canada has been the trek of men, and sometimes women, to the Western harvest areas. It started about 1896 when the railways were largely responsible for the opening up of the West. In most cases, the Western provinces would furnish the railway companies with a statement of the approximate number of workers required for the harvest and the latter would advise the public throughout Eastern Canada, British Columbia and the Eastern United States. Special harvest trains were made up which took the workers to Winnipeg or Calgary for distribution. The number participating increased annually until in 1925, the movement reached a peak of 45,400 persons. The movement was discontinued in 1930, when increased mechanization and the depression hit the West, and was not revived again until 1942 under the National Selective Service regulations. This movement has been especially popular with young people.

Wages have always been considered good. In 1909, a worker received between \$35.00 and \$40.00 a month with board and, by 1928, he received \$5.00 a day with board.

In the early years of this movement, the excursion fare was fixed at \$10.00 from any point in Ontario, Quebec or the Maritimes. In 1912, it was raised to \$12.00 and a few years later to \$15.00. Subsequently, the rate from the Maritimes was raised an additional \$5.00. In 1926, the fare from Ontario and Quebec to Winnipeg was \$15.00 going and \$20.00 returning, from the Maritimes, the corresponding rates were \$20.00 and \$25.00. From Winnipeg to the point of destination, the fare was a half cent per mile each way. From British Columbia, the fare was \$10.00 to Calgary each way and a half cent per mile from this point. During the war, except for \$10.00 paid by the harvester, the Federal government bore the entire cost of transportation as an emergency measure. Since 1946, arrangements for the movement of workers have become the responsibility of the Dominion-Provincial Farm Labour Program.

Between August 20 and September 12, some 2,100 men (1,525 from Ontario; 575 from Quebec) left for Winnipeg which, in 1948, had been made the distributing point for the movement. At Winnipeg, the workers were given a final posting based on orders received through the Dominion-Provincial Farm Labour Committees. Because of unusually favourable weather, however, the harvest ripened at approximately the same time in the southern portions of the three provinces and workers were required over a wide area simultaneously instead of progressing from east to west as has generally been the case in the past. The harvest was heavy and was garnered in without loss of time through rain or heavy dew. Manitoba received 800 men; Saskatchewan 600 and Alberta 600; later, as work was completed at the original location, 50 men moved from Manitoba to Saskatchewan. Still later, 960 were transferred from Manitoba and Saskatchewan to Alberta to complete the work.

Some of the harvesters stayed on in Alberta to work in the sugar beet areas before returning home about October 10.

The harvester paid \$15.00 towards transportation on the way out and \$10.00 for the return journey. The Federal and Provincial share of transportation costs was worked out as so much per worker as far as Winnipeg, where distribution was made, plus the additional distance travelled to the final location. While no report has been received on the average wage paid to harvesters, it is estimated that most men earned about \$200.00 each in the five weeks. They were guaranteed \$5.00 a day and board.

### Tobacco Harvesters

The commercial growth of tobacco in Ontario and Quebec was becoming of industrial importance by the late 1920's. Few experienced local tobacco workers were available and, as the Canadian tobacco harvests have been slightly later than in the United States, this source of labour has been tapped annually. Despite increased acreage, the number of workers required to harvest the Canadian crop has not changed appreciably over the past years; the greatest number to be brought in was slightly over 2,000 workers in 1942 and 1946. In 1947, approximately 1,300 workers came to the tobacco-growing districts of Ontario.

Although some Ontario growers have secured their own tobacco workers each year, a large proportion of them have registered their

requirements with local Employment Offices. These requests were then passed on to the Dominion-Provincial Farm labour groups, which sent representatives to the United States to contact available workers.

In 1948, little difficulty was encountered in filling Canadian requirements due to the reduction in United States tobacco production. During August, some 1,300 curers and handlers arrived in southern Ontario and 50 in the province of Quebec from North Carolina, Kentucky, Virginia and other tobacco-growing states. With such labour available, the harvest was completed without loss. While no transportation arrangements were made by the governments, the growers did provide certain transportation allowances. The substantial wages offered gave the needed impetus to assure the required workers: harvesters earned approximately \$8.00 a day, while good curers and handlers earned from \$12.00 to \$15.00 a day; board and lodging were also included in the bargain.

#### Haymakers to Prince Edward Island

For the first time, a planned migration of workers for haying on Prince Edward Island was undertaken to provide assistance in harvesting one of the heaviest crops in recent years. Originally planned for 50 men, the order was later increased to 89. All workers were recruited in the province of Nova Scotia.

The movement which began in August, guaranteed wages of \$3.00 a day and board. The Federal and Prince Edward Island governments paid the total transportation one way and the worker was to provide his own return ticket. Many of these men remained on the Island for the potato harvest and a number continued as full time farm hands.

#### Potato Pickers to Maine, U.S.A.

In 1931, increased potato acreage in the state of Maine induced the large growers to send agents into southern Quebec and New Brunswick to recruit pickers. In the fall of 1942, controlled movements of workers between Canada and the United States were begun under the Hyde Park Declaration; the potato pickers were recruited by local agricultural agencies and employment offices. At selected border crossing points in Maine, they were met by farm labour officials and allocated to farmers requiring help. Since 1943, the number participating has increased steadily from 300 persons from the two provinces to 6,680 in 1947.

While the movement to Maine continued to be the largest single movement not as many took part in 1948 as in the previous year. After the estimated number of workers to be recruited had been forwarded to the New Brunswick and Quebec Farm-Labour Committees and the securing of help was well under way, large groups of local workers materialized in the potato crop areas. The Canadian quota had to be correspondingly reduced. This resulted in fewer employment opportunities for Canadians than had been anticipated.

By the middle of September, 5,900 persons (4,908 from Quebec and 992 from New Brunswick) had been moved to Maine. The potato pickers found conditions satisfactory and earnings, which were on a piecework basis, high. They averaged about \$15.00 a day for a period of two weeks. It is estimated that these workers brought back to Canada earnings amounting to \$1,100,000 in United States funds.



Pickers paid their own way to the border and then were transported to their location is buses to the expense of the potato growers

#### Potato Pickers in New Brunswick

This movement, which began at about the end of September, has been one of the oldest in the Maritime region and almost entirely provincial in nature. Some 600 workers took part in 1947.

According to early estimates in 1948, it was expected that approximately 1,000 additional men would be required for the harvest but when the time came only 324 workers were placed by the National Employment Service; the majority of these went to outlying points in the province.

The number of workers from outside points who worked on the harvest, however, was much greater in 1948 than in the previous year. Drawn by the extensive publicity for the potato pickers in Maine and released by the subsequent cancellation of the demand, many workers in New Brunswick were ready to accept similar work to make up their losses before returning home.

Since distances travelled were short, no fares were paid by the government. Workers' earnings were on a piecework basis; many of them averaged \$10.00 a day and board.

#### Potato Pickers to Prince Edward Island

About the same time as the New Brunswick movement, another one took place between the Cape Breton area of Nova Scotia and Prince Edward Island for the annual potato harvest. This movement has been increasing in size each year and in 1948 there were 1,177 workers despatched in addition to the men who had remained on the Island after the haying operations. In 1947, some 700 men took part in the movement.

The conditions governing the workers were the same as for the haymakers. Wages were \$3.00 a day with board and, while transportation was paid to Prince Edward Island, the workers were required to pay their own way back.

#### Potato Pickers to North Dakota, U.S.A.

Each year since 1943, potato harvesters have moved from southern Manitoba to North Dakota. In the first year, 255 persons made the trip; by 1945, some 1,200 workers were despatched, the largest number to date. This movement has been made up almost entirely of women and youths, since most men available for seasonal work were busy with the western harvest at that time.

In September 1948, some 800 persons left for the potato district as compared with 700 in 1947. No financial assistance was given by the Canadian governments. The workers remained for a period of about three weeks. Wages averaged about \$10.00 a day with board, a considerable increase over last year when they amounted to about \$7.00 a day with board.

### Apple Pickers in the Annapolis Valley, N.S.

Another movement confined almost entirely to the one province has been that of apple harvesters and packers to the Annapolis Valley orchards in September. The regular movement of apple pickers in 1948 was greatly curtailed owing to the very light crop, bad weather, and orders not being placed by the farmers until markets and export prices were established. Apple pickers are usually drawn from all over Nova Scotia, but the recruitment last year was confined to those towns in the areas surrounding the Annapolis Valley. In 1946 and 1947, approximately 1,500 persons were recruited.

Some 750 workers were involved in the movement in 1948. Of this number, only 155 have applied for remuneration for transportation which was completely paid, upon request, by the Federal and Nova Scotia governments to those workers who stayed the full season. The workers received \$5.00 a day with board.

### Sugar Beet Harvesters to Montana, U.S.A.

The final movement of farm labour help took place in October when approximately 200 workers from southern Saskatchewan were despatched to the Milk River Valley of Montana. This is the second year Canadian labour has been used for this work; in 1947, some 275 workers took advantage of the opportunity.

The sugar beet harvest took about five weeks and the workers received from \$6.00 to \$8.00 a day with board. No transportation arrangements were made by the Canadian government.

### Dominion-Provincial Farm Labour Conference

The sixth Dominion-Provincial Farm Labour Conference was held in Ottawa, on December 9 and 10, 1948. In attendance were Provincial Directors of Farm Labour, Employment Advisors (N.E.S.), representatives of the Federal Department of Labour and of the United States government. The purpose of the conference was to review farm labour activities during the past season and to make plans for a similar program in 1949.

Through the efficient operation of this organization, no loss of crop due to the lack of workers was reported during 1948. Throughout the country, a sufficient number of harvest workers were available when and where needed except in the case of the Ontario hay harvest. The provincial representatives expressed satisfaction on the way the inter-provincial seasonal plans were carried out. It was suggested, however, that, if Canadian workers were again requested by the United States, more careful survey should be made of requirements so that there would be no repetition of the situation which developed last season and caused inconvenience to potential workers in New Brunswick and Quebec.

It was reported that immigration had contributed greatly to the maintenance of an adequate agricultural work force during the 1948 season. Canada can not expect the same influx of farm workers to continue, however, since the supply of Displaced Persons is diminishing, the Dutch are more interested in homesteading, and the other available European workers are inclined toward trades occupations. Moreover,

it is estimated that of the Displaced Persons and Polish veterans who are now employed in agriculture, not more than 50 per cent will remain in the industry at the termination of their contract. Newfoundland was suggested as a possible source of workers, some as part-time during the off-season in fishing and others for regular employment.

Delegates agreed that one answer to the problem of securing adequate farm labour for peak seasonal demands was the continuation of organized farm labour movements. It was thought that there might be a place for a more permanent organization of the Dominion-Provincial Farm Labour Program which would allow for long-term planning rather than operation on a year-to-year basis as is now the case. A five year agreement was suggested.

#### Plans for 1949

As far as can be seen at the present time, agricultural output for the 1949 season will be as great as that of last year. It may be that more local help will be available because of the growth of the labour force and especially since other industrial needs are not expanding as rapidly as heretofore. It is expected, however, that several movements similar to those carried out in 1948 will be required during the coming season. The federal and provincial governments have renewed their agreement and regional meetings are now under way to formulate plans for meeting individual needs. It is also likely that the annual agreement with the United States government will be finalized on a similar basis to that of former years.

The Dominion-Provincial Farm Labour Committees are making plans for the traditional organized movements which occur each year, as well as maintaining a careful watch for other areas where farm help will be required at periods of peak activity. As one means of determining the needs for farm labour this year, the Federal Minister of Labour has sent a letter to all farmers in Canada. It outlines the sources of farm help available through immigration and through a mobile farm work force for the harvesting of special crops. The farmers are asked to register their requirements and to co-operate in these schemes. It is hoped that through this and other forms of publicity, complete plans may be formulated well in advance of the time when workers are needed.

The first of the 1949 movements is now in progress. Maple sugar workers are moving from Quebec to Maine and Vermont, and it is estimated that before this movement is completed some 350 workers will have moved across the border. Other movements will follow as the need arises.

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This article was prepared by the Research and Statistics Branch in co-operation with officials of the Immigration and Farm Placement Branch and the National Employment Service.

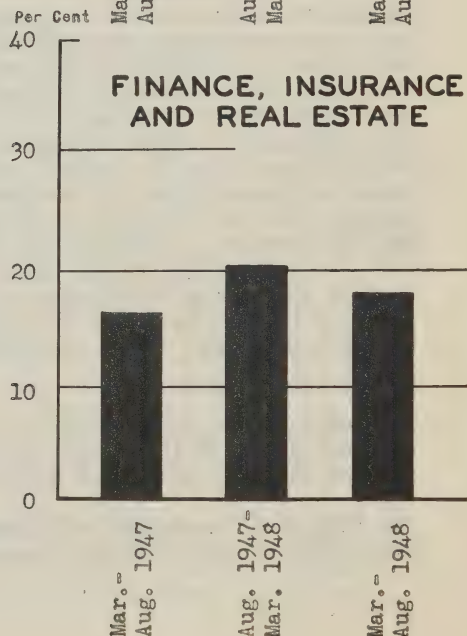
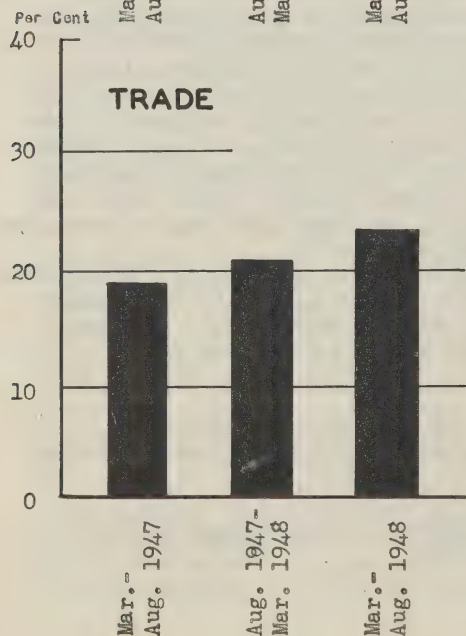
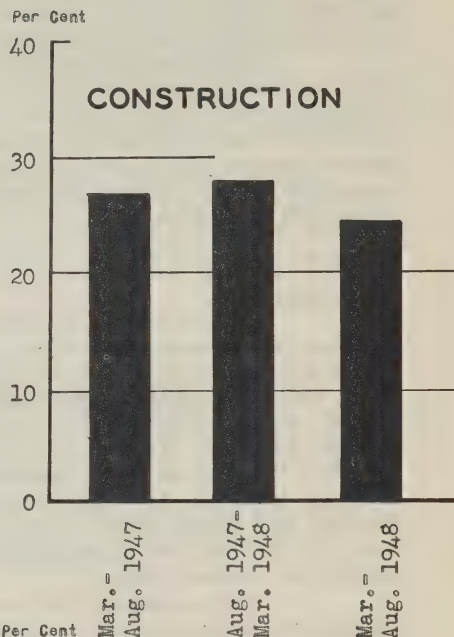
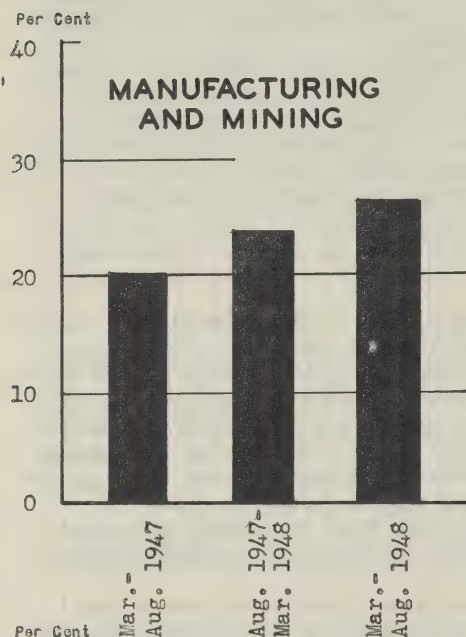
For "Organized Movements of Seasonal Workers in Agriculture" in 1947 - see CANADIAN LABOUR MARKET, December, 1947.



# PERCENT OF PLACEMENTS AT EMPLOYMENT OFFICES TO TOTAL HIRINGS

## - IN SELECTED INDUSTRIES -

(FOR THE THREE SIX-MONTH PERIODS FROM MARCH 1947 - AUGUST 1948)



## EMPLOYMENT SERVICE ACTIVITIES

The economy moved slowly into the period of heightened seasonal activity during March. Hiring was not extensive during the month but labour demand was mounting. The number of unplaced applicants dropped at a rate of about 4,000 a week. On the basis of the Dominion Bureau of Statistics report on hirings and separations, it was estimated that in five of the major industries in Canada, placements effected by the National Employment Service ranged from 18 to 26 per cent of all hirings.

The end of seasonal unemployment was in sight during March. Although very little of the renewed seasonal activity had yet materialized into jobs, most workers were expected to be back on the job by early May, barring any serious set-back in weather conditions.

Most outside work was now only awaiting the disappearance of snow and frost before large-scale hiring would begin. A few construction workers returned to the job during March but the real construction season will not get underway until the frost leaves the ground and excavation work can be satisfactorily undertaken. Farm labour demand also will crystallize when workers can begin work on the land; already advance orders for help were being placed with employment offices. Re-employment of truck drivers was awaiting the clearing up of road conditions as provincial bans now prohibited heavy traffic on many highways. All signs pointed to an early resumption of lake navigation; the opening of the port of Montreal was the earliest for many years and it seemed likely that movement on the lakes would commence almost a week earlier than usual.

In the women's field, the resurgence was less marked, because of the less seasonal nature of their work. The outlook in trade, however, had brightened with the prospects of Easter activity and, while hirings for this season will not be large, it will assure full employment of the regular staff. The seasonal element was also evident in the personal service industries and demand for domestic servants and laundries was rising.

The renewed seasonal activity, however, did not have a marked effect on the number of unplaced applicants during March. All in all, the number unplaced had fallen by only 20,000 during the month, leaving 245,000 on file at the beginning of April. Part of the sluggishness could be attributed to the re-entrance of loggers to the labour market at this time. It was also possible that unemployment itself was falling at a faster rate than the decline in unplaced applicants since the total of unplaced applicants represents the count of the live file at any one date. An application remains alive for 30 days unless the applicant is placed by the Employment Service or notifies the office when obtaining a job on his own. It is quite probable that at the time of the spring renewal, numbers of workers will find jobs through their own efforts and will neglect to inform the office.

The greater severity of the seasonal decline this year is apparent in the placement statistics now available for the greater part of the winter months. Comparing the months of December, January, and February with those of the previous year, the first noticeable change is the absolute drop in the numbers placed. Placements during this period were 31 per cent fewer than in the previous year. While the greatest part of the slump occurred in the more seasonal segments of the labour force, there was a 16 per cent drop among women and 27 per cent decline for veterans. In addition, many more of the current placements were temporary; casual placements rose from 18 per cent to 21 per cent of all placements effected. Clearance fell off to a much greater extent than in previous years. Contrasting this, however, placements in Executive and Professional offices, which are largely non-seasonal, have held their own over the year.

Generally it would appear that the duration of unemployment for the average worker has been longer this year. At the end of February, 55 per cent of the persons claiming unemployment insurance had been registered for 25 days, 30 per cent being registered for more than 49 days. One year before, the comparative percentages were 51 and 27. It was encouraging to note, however, that for those claiming unemployment insurance (currently approximately 80 per cent of the unplaced) a much larger proportion were receiving benefits. Also, this year benefits were being paid at a higher rate. During the December-February period, 80 per cent of all claims were allowed as against 75 per cent one year before, with the average daily benefit paid being \$2.18 as against \$1.96.

The extent to which National Employment Service participates in total hiring activity in the major industries is indicated in the chart included in this section. The industries selected cover approximately two-thirds of all paid workers in Canada. The proportion of placements to hirings were arrived at on the basis of the Dominion Bureau of Statistics semi-annual report on hirings and separations, and were projected to cover all paid workers in the industry. It will be noted that the proportion of placements to hirings in the latest period, March-August, 1948, varied from 26 per cent in mining and manufacturing to 18 per cent in finance, insurance and real estate. Over the year and a half period covered, the proportion of placements effected by the Employment Service has tended to increase, especially in trade, mining and manufacturing. In construction and finance, insurance and real estate, however, the last six-month period indicates a moderate decline.

Table I--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                       | Average Weekly   |                 |                  |
|------------------------------|------------------|-----------------|------------------|
|                              | February<br>1949 | January<br>1949 | February<br>1948 |
| Applications for work x..... | 32,000           | 40,000          | 32,000           |
| Vacancies notified.....      | 13,000           | 13,000          | 16,000           |
| Placements.....              | 8,800            | 8,700           | 9,700            |
| Women.....                   | 3,500            | 3,600           | 3,500            |
| Veterans.....                | 1,500            | 1,500           | 2,200            |
| Handicapped.....             | 175              | 165             | 220              |
| Executive and Professional   | 50               | 45              | 50               |

x Does not include renewals.



# INDUSTRIAL ANALYSIS

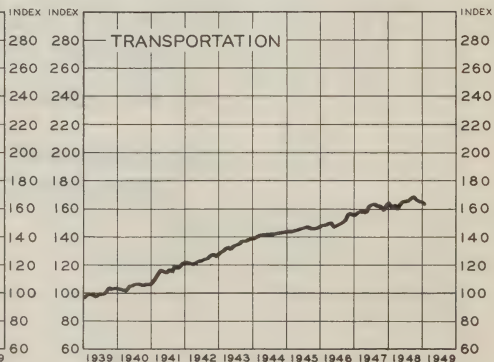
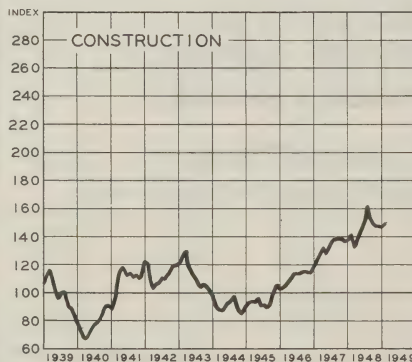
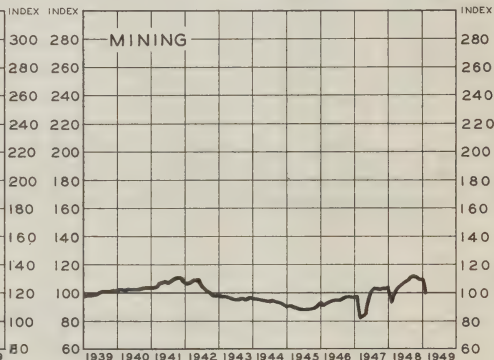
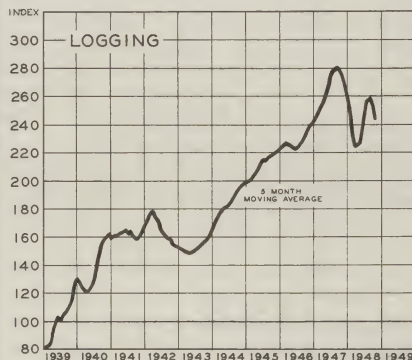
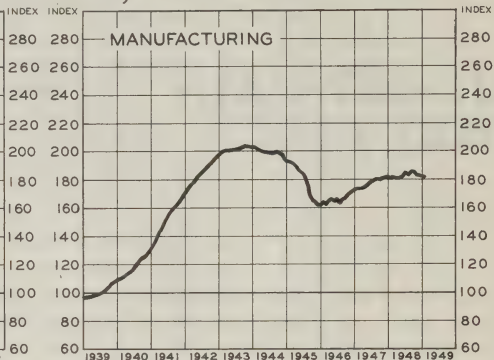
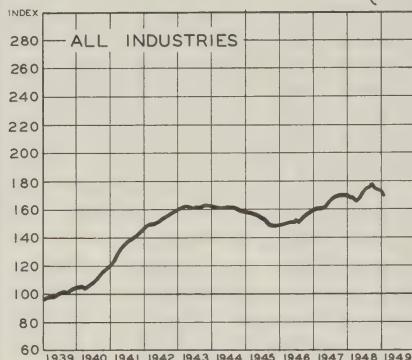
- ▲ INDUSTRIAL LABOUR  
MARKET SUMMARY
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ABOUT EXPORT MARKETS
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- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES

# EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

## SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE 1939 = 100)



# INDUSTRIAL LABOUR MARKET SUMMARY

There was a general improvement in labour market conditions throughout Canada during March. Increased activity in the manufacturing industries, in anticipation of spring sales, drained off many unemployed, although large numbers of bush-workers were thrown into the labour market with the tapering off in logging activity in Eastern Canada. In British Columbia, however, logging was entering a more active period after unsuitable weather conditions had curtailed operations considerable during the winter.

## MANUFACTURING—

Estimated employment (March).....1,275,000

The reduction of excise taxes on a number of manufactured goods in this year's Budget, which was brought down March 22, should provide a sustaining influence on both sales and employment in the industries concerned during the coming year. For some articles, including candy, soft drinks and chewing gum, the excise tax was repealed. A new large group has been created by the tax cuts on which a 10 per cent excise tax will be imposed. This group includes such things as radios, motorcars, furs, cosmetics, luggage, purses and toilet articles.

Individually, many of the industries which manufacture these items are not especially large employers of labour. Latest figures show that the fur industry, for example, employs about 10,000 persons on the average during the year. The jewellery manufacturing industry has a labour force of some 6,000; soft drinks about 5,000; toilet preparations plants around 2,000 and pen and pencil manufacturers 1,500. Collectively, however, the employment provided by industries affected by these changes in excise tax, including the examples given, forms an important segment of the labour force in manufacturing. In the total, the proportion would probably be about 10 per cent.

While most of the industries were operating at capacity, there were indications in some groups, notably luxury articles, that sales were beginning to drop off. The reduction in taxes should assist in offsetting this trend.

The National Employment Service reports that several jewellery and silverware manufacturers in Ontario made preparations for increased business immediately following the new budget. In Toronto, William A. Rogers and Roden Bros. Ltd. placed orders for silverware workers. Costume jewellery workers were also in demand. International Silver and McGlashan Clarke Co., both in Niagara Falls, also expect to increase employment.



## RETAIL TRADE---

Estimated employment (March).....648,000

Although wholesale and retail firms were beginning to add to their staffs in the latter part of March in anticipation of the spring and Easter sales, there was a surplus of registered applicants over job vacancies existing in the industry during most of the month.

At March 31, there were some 11,000 persons registered as unplaced applicants for sales work in National Employment Service offices across Canada. About 70 per cent of this total were women, many of whom were seeking part-time employment. Since many employers do not hire their staffs through the Employment Service, the statistics on unfilled vacancies do not give a complete picture of the extent of labour demand at this time. Total vacancies registered at March 31 were 1,600, of which about 1,100 were for women workers.

During the first quarter of 1949, when both sales and employment were seasonally low, the general policy among most merchants was to reduce their inventories to a minimum by clearing out heavy stocks through special sales. The low volume of general sales enabled employers to release inefficient personnel; with more selective buying evident among customers, stores are looking for sales help who can "sell" the merchandise.

Department store sales during March were 8 per cent above the same month in 1948 in value. This was mainly due to higher sales in the western provinces, especially in British Columbia where sales were 29 per cent above the same month in the previous year. The volume of sales during the first three months of this year was about equal to last year's total. Easter sales should indicate whether or not there is going to be a slump in consumer purchasing. Retailers have become more optimistic since the reduction of excise taxes in this year's budget, especially as regards jewellery sales.

## TRANSPORTATION---

Estimated employment (March).....352,000

The Canadian shipping industry, which was the scene of a long and bitter labour dispute during the summer of 1948, gave indications of again being a trouble spot in Canadian labour-management relations during the coming year. On March 31, the Canadian Seamen's Union announced that a strike had been called among its members in some 90 sea-going ships which sail from the East Coast ports.

The immediate cause of the strike was the decision of the ship-owners to sign a collective bargaining agreement for the coming year with the Seafarers' International Union rather than with the C.S.U., which is the certified union in this section of the industry. Negotiations between the Canadian Shipping Federation, representing owners, and the C.S.U. have been in progress since late in 1948, since the previous agreement expired on October 15 of last year. It was reported that the C.S.U. requested a 15 per cent increase in wages while the operators suggested the seamen take a \$50 per month wage cut. The conciliation board-the industry comes under Federal jurisdiction- recommended that the wage level remain the same during 1949

as it was in the previous year. Negotiations were going on at Ottawa when it was announced that the shipowners had signed with the S.I.U.

In essence, this strike was an extension of the dispute between the C.S.U. and the lake shipping companies in 1948. At that time, the Canadian Lake Seamen's Union, an organization formed by Pat Sullivan, former head of the C.S.U., made an unsuccessful attempt to take over this field of labour organization. Subsequently, the C.L.S.U. became part of the Seamen's International Union, which is active on the west coast of Canada and is now trying to replace C.S.U. crews on the east coast

#### LOGGING—

Estimated employment.....70,000

In Eastern Canada, with winter logging operations practically completed during March), there was considerable temporary unemployment among loggers. Cutting and hauling operations were generally finished and the spring drive was all that remained to be done. Many of these unemployed may be out of work until the opening of the construction season but others will return to agricultural work.

A completely opposite situation existed on the west coast. Most logging camps there were reopening again after severe weather conditions had kept them closed for part of the winter. Uncertain market conditions may prevent many small operators from re-opening this year, however.

#### FISHING AND TRAPPING—

Estimated Employment (March).....22,000

March is always an inactive month for the Canadian fishing industry as winter fisheries are over by that time and preparations are being made for the spring and summer seasons. From the Maritimes, pockets of unemployment were reported among those who engage in fishing in the winter season and also among employees of fish packing plants. This was due in part to the fact that the winter fish production was below average since both catches and weather were poor.

The employment outlook in some sections of Canada's fishing industry for 1949, both on the Atlantic and Pacific coasts, is uncertain because of unsettled export market conditions. This affects some 10,000 odd employees in fish packing and curing plants as well as the fishermen themselves.

These marketing problems are principally in regard to exports, which formed some 62 per cent of the \$145,000,000 worth of fish products produced in this country last year. Fishing interests in B.C. are especially concerned over the outcome of current discussions being carried on with United Kingdom authorities on exports of Canadian canned salmon to that country in the coming year. Early in April, the position of the U.K. was still not definite but it seemed likely that considerably less of the salmon pack would go there this year, because of exchange difficulties. The situation is further complicated by a surplus of some 200,000 to 250,000 cases left over from last year.

R.E. Walker, vice-president of B.C. Packers, the largest fish packing company in the province, is reported as stating:

".....if we don't get rid of present stocks, fish prices will drop this season enough to put many small fishermen out of work."

The export market for fresh and frozen fish to the United States may not be as strong this year as in 1948, when \$45,000,000 worth of this type of fish were shipped to that country. Food prices, including meat, have taken a drop there which may affect fish consumption adversely.



## WHAT EXECUTIVES SAY ABOUT EXPORT MARKETS

Opinions of executives of leading firms in many industries are obtained by interviewers of the Employment Forecast Survey of the Research and Statistics Branch. Each month, a selection of these opinions on a single topic of concern to both management and labour will be presented in this section of the Canadian Labour Market. The topic for this month is export markets for Canadian goods.

Many executives recently interviewed have expressed concern regarding the export market situation which has resulted from the imposition of import controls by many of Canada's traditional customers, and world wide currency restrictions. Examples of their views are given in the quotations which follow.

The industries that are able to compete in the United States Markets are more optimistic. Conditions differ in various industries and in various establishments within an industry, thus accounting for diverse views of executives. The opinion of the manager of a single-unit Canadian establishment might not be the same as that of the manager of an establishment whose sales policy and export quotas are arranged by a foreign head office or parent company.

The dollar shortage experienced by most of our customer nations has had an adverse effect upon many of our foreign markets. Increased exports to the United States have helped sustain our over-all export totals. Most of the shipments to the American market are of primary goods, however, while the present contracting demand, except in the case of the United Kingdom, is for manufactured products. Concern is felt in some quarters regarding the long-term effects of these shifts in export, and it is thought that continuation of this trend could jeopardize our position as an industrial nation gained during World War II. Moreover, since secondary products have a higher labour content than primary, contraction in the export of manufactured goods is likely to have a more serious effect on employment, than would contraction of primary exports.

### Food

(1) "Lifting of the import on cattle shipments to the United States has not affected Canadian deliveries yet. There was a large cattle population in Canada which was further increased in anticipation of resuming United States shipments, so the supply was there when free shipments were allowed. Stocker shipments to the east have been reduced, Western farmers preferring the United States market. It is possible deliveries to our plants next spring will be affected by this development. However, with the United States market open to him, the Western farmer and rancher will feel more secure and likely will increase his operations."

### Food (cont'd)

(2) "We sell in the domestic market and export both to the United Kingdom and to the United States. We are endeavouring to enlarge our export coverage, particularly in the canned meat field, by exploring for markets in the British West Indies and in some of the South American countries. Sales generally are satisfactory, but we have difficulties arising from the fact that we are dealing with perishable products."

(3) "I am pessimistic over the future of the milling industry. By that I do not necessarily mean next year but over the long term. Importing countries have no means of payment for flour and they prefer to grind their own whenever possible."

(4) "Apart from controlled shipments to England, European markets for grains have now been reduced to Portugal, Palestine, Lebanon and Switzerland. Formerly, sales were made to all European countries. Countries receiving Marshall Plan aid are not interested in paying cash... Because of the large wheat crop in the United States, no Canadian purchases are expected from E.C.A.....Cereal sales are not picking up and the excellent crop yields in Ontario have reduced stock feed sales. Future rate of operations depends on export sales which, because of exchange difficulties and limited markets, are impossible to predict."

### Beverages

(5) "Our Company's entire output of beer at present is being distributed to the domestic market and while there are export potentialities, foreign markets will not be tapped as long as domestic market continues in its present buoyant state."

### Primary textiles

(6) "Our principal headache today is the loss of our export markets. This has resulted from foreign exchange difficulties and we are now limited to making token shipments. A year ago 25 per cent of our production was for export - today foreign markets are receiving only 1 per cent of our output."

### Primary to Printing

(7) "The United States market could absorb more newsprint but even with export markets all over the world shut off because of dollar shortages, a strong demand for newsprint is expected to continue for many years."

(8) "At the present high price of Kraft pulp, the U.S. market may not be able to absorb total Canadian production, and we may have to seek new domestic markets. It appears that the Kraft pulp industry in this country may have expanded too rapidly."

### Furniture & Electrical

(9) "Our market is almost wholly domestic, only token shipments being exported at the present time. We did a record volume of business in 1948 and expect continuation of good business for a few months yet. We have benefited by restrictions on imports of kitchen tables from the United States."

### Vehicles

(10) "Our export of cars, parts and trucks, which in prewar years accounted for about 50 to 55 per cent of our total business, have fallen off steadily. Until a few weeks ago South Africa was the only major market in our overseas territory not limited by exchange or import regulations. In November the South African Government introduced controls which will reduce our shipments to South Africa to one third of the number scheduled for 1949".

(11) "Bicycle demand is still unsatisfied and shipments of children's vehicles are far behind orders. New Zealand and Australia used to be good markets. After the war large shipments were made to South American countries and Mexico, but we are being shut out of these markets too. Great Britain could use \$500,000 worth of our products if permits could be secured."

### Machinery Building

(12) "The two year backlog of creamery equipment orders which we had a year ago, has now been reduced to what we consider normal. Milking machines and separators have to be sold, and price resistance is becoming serious. Exports to our parent company in the United States are increasing sharply and releases for 1949 shipments are already on hand."

### Integrated Steel

(13) "Export sales are accounting for 30 to 35 percent of total output, including sales to United States for the first time in years. Our sales are running 25 to 30 per cent ahead of last year."  
Agricultural Producers' Goods

(14) "To date, the policy of developing the United States trade has been justified because of the restrictions in other parts of the world. While general export business has been reasonably good, the British Commonwealth and European markets, on account of exchange difficulties, were practically dependent on E.R.P. financing, and made the future outlook in these countries uncertain."

### Non-Ferrous Metals

(15) "The lack of export orders has not affected output, as the domestic market absorbs all that the company can produce. The export of tube and pipe to Australia and New Zealand is held up temporarily pending import quotas. We had hoped to enter South Africa, but dollars have been refused to importers. The business seems to be going to English companies despite a price of \$1.30 plus packing charges compared to this company's price of 35¢ including packing charges."



### Non-Ferrous Metals (cont'd)

(16) "Most of our export markets are being restricted to a greater or less degree, either by import quotas or dollar shortages. Australia and New Zealand will scarcely permit the importation of even service parts."

(17) "All our customers are still on a quota basis and we plan on capacity production for 1949. Annual exports of 300,000 to 400,000 units are required if the plant is to operate at capacity. Originally we exported only to Empire countries, but now shipments are world-wide to 60 different countries, mainly South America. The Australian market has been closed and the South African is uncertain. We hope that the British West Indies will prove to be a good market now that dollar restrictions have been eased."

### Sawmills

(18) "There has been some slackening in the demand for our products. This slackening, we fear, has been almost entirely caused by the increasing stringencies of United States and Canadian dollars in the hands of our customers, and there has been a decided falling off due to this cause in our orders from the South African and Australian markets. However, a large proportion of our output consists of high-grade lumber and especially products the price of which have so far been well maintained."

(19) "Our export markets are below expectations due to foreign exchange difficulties and even the United Kingdom market is not as great as we had anticipated. Competition is rapidly becoming keener, and our salesmen no longer can sit in the office and take telephone orders. They must go out and sell the lumber."

### Shipbuilding

(20) "Our contract for French trawlers and cargo ships is nearing completion and we have already started to lay men off in large numbers. At the moment no new contracts are in sight, and at any rate, if new business should be obtained, a considerable period of time would be required to get the plans ready and to accumulate the necessary materials."

(21) "There is no improvement here since last fall, but we have made a start with the Arctic Patrol Ship. This will keep us employed for some time and so will the work we have to do to complete the three French ships, but unless we receive other contracts, we shall be compelled to make a considerable reduction in the number of our employees."

### Non-Metallic Mining

(22) "Total production of asbestos is for the export market, chiefly the United States where there is still a considerable amount of construction in progress and consequently a heavy demand for asbestos. I believe the rate of new construction in the States is slowing down very rapidly and at the moment, I am not certain just how long the demand for asbestos products will hold at its present high level. However, I do not foresee any serious market difficulties during the first half of this year."

## RECENT WAGE CHANGES

More than 60 per cent of the wage increases reported in the accompanying table were granted to groups of workers on the basis of craft or of occupation. Strikes played no part in the winning of wage increases in the period. Workers at several plants have announced the signing of new agreements granting company-sponsored security measures.

Some 15,500 persons are reported to have received wage increases during the latter part of February and the month of March. This is a 35 per cent increase over the number reported last month and a 33 per cent decrease in comparison with the comparable month in 1948. More than 60 per cent of the wage gains indicated were the result of negotiations concluded on the basis of a craft in an area, such as the printing trades in Montreal and Toronto and the Montreal plumbers, or between a group of employers and their employees as was the case of the Toronto taxi drivers, the clerks and chambermaids in Drumheller hotels and the motion picture projectionists in Winnipeg theatres.

The offer of an increase of 15 cents an hour for men and 2½ cents for women made to bookbinders by the operators of publishing and job printing shops in Toronto was accepted as a result of a majority vote among the workers. The difference in the increase offered to men and women had earlier resulted in the threat of a strike since more than 60 per cent of the workers were women. On the Island of Montreal, and within a radius of 100 miles of its limits, workers in the commercial printing trades, 5,200 persons, were granted increases in hourly pay ranging from 4 to 30 cents according to occupation. In 1946, when the existing agreement was first concluded, arrangement was made for an annual amendment to the contract covering an increase in hourly earnings up to the end of 1949. These have been granted; the amount of increase in 1948 and 1949 was in excess of that tabled in the original wage scale.

Wage rates "comparable to those paid to Ontario transport drivers, helpers, warehousemen and checkers" became effective in Montreal with the signing of a new master agreement. The amount of the increase in pay won by the 4,000 transport workers employed by 104 local companies, does not appear in the accompanying table since the wage scale has not yet been published.

The Manitoba government has announced the passing of a new minimum wage scale for the province to become effective April 15. This accords men a minimum hourly wage of 50 cents, an increase of 10 cents over the minimum level granted in April, 1947. Women workers who had been receiving a minimum of 36 cent in urban areas and 33 cents in others will both receive 40 cents under the new arrangement.

Strikes played no part in wage changes during the month. At the Bell Asbestos Mines Ltd, Thetford Mines, P.Q., workers had been prevented from working by pickets from the other five Asbestos plants in the area, but had not gone out on strike themselves. At the time of writing, nine groups,

a total of 6,250 workers, are out on strike for higher wages. Of this number, 4,600 of the workers are at the five asbestos companies in southern Quebec province, 640 are at four bakeries in Winnipeg and Selkirk, Man. and 600 are seamen involved in the deep-sea dry cargo ships dispute on the East and West coasts.

It is also important to the current pattern of wage negotiations that certain Canadian companies have signed agreements with their employees calling for no changes in their wage scale. The emphasis in some cases has been on social security programs. The settlement affecting some 1,200 coal miners on Vancouver Island was in line with this pattern. The agreement reached there providing for an additional 10 cent-a-ton payment by the operators to the welfare and retirement fund, effective April 1, 1949, was on the same basis as that previously concluded with two Alberta mining groups. Similarly, more than 1,500 workers at Monarch Knitting Co. and at Woolcombing Corp. of Canada plants in Toronto, St. Catharines, St. Thomas, Dunnville and Acton, Ont. signed a joint agreement termed by Sam Baron, the Canadian director of the United Textile Workers of America (CIO) to be "a milestone in collective bargaining for the whole organized movement". The agreement provides life insurance and sick benefits on a non-contributory basis.

Negotiations for wage increases are presently underway at the Ford Motor Co, Windsor, Ont. and the Consolidated Mining and Smelting Co. plants at Kimberley and Trail, B.C. Demands for a  $27\frac{1}{2}$  cent an hour increase in wages have been presented to the three major steel companies. Negotiations have already begun at the Hamilton plant and are scheduled to start at Sydney and Sault Ste. Marie early in April. The 1948 agreement expires in April but arrangements have been made to have the present contract extended over the negotiation period.



# RECENT ANNOUNCEMENTS OF WAGE INCREASES

NOTE: The information on wage changes was obtained for the most part from press announcements and reports of National Employment Service offices.

| Industry                                | Avg. Hr. Earnings (1) | Firm or Group                                                                                                                                                                                                                                                              | Location                                                           | Amt. Per Hr.                          | Date Effective                           | Workers Affected        |
|-----------------------------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------|------------------------------------------|-------------------------|
| MINING                                  | ¢                     |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Metallic Ores                           | 117.0                 |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Non-metallic minerals (other than coal) | 115.8                 | Algoma Ore Properties                                                                                                                                                                                                                                                      | Wawa, Ont.                                                         | 9 to 17¢                              | Mar. 17/49*                              | 300                     |
|                                         | 101.5                 | Bell Asbestos Mines Ltd.                                                                                                                                                                                                                                                   | Thetford Mines, P.Q.                                               | 10¢                                   | Mar. 8/49*                               | 350                     |
| MANUFACTURING                           | 97.2                  |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Leather Boots & Shoes                   | 70.6                  | Sportland Shoe Co.                                                                                                                                                                                                                                                         | Montreal, P.Q.                                                     | 5 to 10¢                              | Mar. 26/49*                              | 150                     |
| Furniture                               | 84.1                  | Hollywood Furniture Mfg. Co.                                                                                                                                                                                                                                               | Victoria, B.C.                                                     | 5¢                                    | Mar. 11/49*                              | 15                      |
| Printing and Publishing                 | 107.6                 | Commercial Bookbinders<br>La Presse (Rotogravures,<br>Shippers & Distribution<br>Clerks, Addressograph &<br>Maintenance workers)<br>La Patrie (Shippers & Pressmen)<br>Printing Trades on the Island<br>of Montreal and within a<br>radius of 100 miles from its<br>limits | Toronto, Ont.<br><br>Montreal, P.Q.<br>"<br>"                      | 2½ & 15¢<br><br>(2)<br>(2)            | Mar. 5/49*<br><br>Mar. 26/49*<br>"       | 1,200<br><br>200<br>25  |
| Rubber Products                         | 104.2                 | Polymer Corp.<br>Sterling Rubber Co.                                                                                                                                                                                                                                       | Montreal Area, P.Q.<br>Sarnia, Ont.<br>Guelph, Ont.                | 4 to 30¢<br>5¢<br>6¢                  | April 1/49<br>Dec. 1/48<br>Mar. 1/49     | 5,200<br>930<br>75      |
| Cotton Yarn & Cloth                     | 84.6                  | Cosmos Imperial Mills Ltd.                                                                                                                                                                                                                                                 | Yarmouth, N.S.                                                     | 6¢                                    | Mar. 3/49*                               | 450                     |
| Silk & Artificial Silk Goods            | 80.1                  | Louis Roessel & Co. Ltd.<br>St. Johns Silk Co. Ltd.<br>Consolidated Textiles Ltd.<br>Duplex Textiles Ltd.                                                                                                                                                                  | Drummondville, P.Q.<br>St. Johns, P.Q.<br>St. Hyacinthe, P.Q.<br>" | 13¢<br>5¢<br>10 to 15½¢<br>10 to 15½¢ | Dec. 1/48<br>Dec. 2/48<br>Dec. 5/48<br>" | 135<br>275<br>160<br>65 |
| Chemicals & Allied Products             | 96.5                  | Dominion Tar & Chemical Co. Ltd.<br>Canadian Resins Ltd.                                                                                                                                                                                                                   | Transcona, Man.<br>Shawinigan Falls, P.Q.                          | 7 to 10¢<br>Av. 10¢                   | Jan. 1/49<br>Feb. 15/49                  | 75<br>210               |
| Machinery (other than vehicles)         | 101.1                 | Peacock Bros. (Foundry) Ltd.                                                                                                                                                                                                                                               | Ville Lasalle, P.Q.                                                | 8¢                                    | Sept. 4/48                               | 145                     |
| Railway Rolling Stock                   | 111.8                 | Canadian Locomotive Co. Ltd.                                                                                                                                                                                                                                               | Kingston, Ont.                                                     | 14¢                                   | Feb. 1/49*                               | 700                     |
| Iron & Steel Fabrication                | 103.2                 | New Idea Furnaces Ltd.                                                                                                                                                                                                                                                     | Ingersoll, Ont.                                                    | up to 15¢                             | Mar. 7/49*                               | 100                     |
| Hardware, Tools & Cutlery               | 96.3                  | A.C. Wickman (Can) Ltd.                                                                                                                                                                                                                                                    | New Toronto, Ont.                                                  | 9 to 14¢                              | Dec. 1/48                                | 75                      |
| Foundry & Machine Shop Products         | 105.3                 | Maritime Steel & Foundries Ltd<br>Nanaimo Foundry & Engineering Works                                                                                                                                                                                                      | New Glasgow, N.S.<br>Nanaimo, B.C.                                 | 5¢<br>11 to 13½¢                      | (3)<br>Mar. 1/49*                        | 300<br>40               |
| Aluminum & its Products                 | 102.0                 | Aluminum Co. of Can. Ltd.                                                                                                                                                                                                                                                  | Shawinigan Falls, P.Q.                                             | Av. 10½¢                              | Feb. 6/49                                | 680                     |
| Petroleum & its Products                | 123.3                 | Imperial Oil Ltd.<br>Shell Oil Co. of B.C.                                                                                                                                                                                                                                 | Lethbridge, Alta.<br>Burnaby, B.C.                                 | 5¢<br>2¢<br>5½¢                       | Dec. 1/48<br>Mar. 1/49<br>Feb. 23/49*    | 220<br><br>200          |
| TRANSPORTATION                          |                       |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Local                                   | 97.7                  | Taxi Drivers                                                                                                                                                                                                                                                               | Toronto, Ont.                                                      | (4)                                   | Mar. 24/49*                              | 750                     |
| CONSTRUCTION                            |                       |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Building                                | 105.8                 | Plumbers & Apprentices                                                                                                                                                                                                                                                     | Montreal, P.Q.                                                     | 10%                                   | Mar. 15/49*                              | 2,000                   |
| SERVICES                                |                       |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |
| Hotels & Restaurants                    | 61.1                  | Hotel Clerks & Chambermaids<br>Motion Picture Projectionists                                                                                                                                                                                                               | Drumheller, Alta.<br>Winnipeg, Man.                                | (5)<br>12½¢                           | Jan. 20/49<br>Feb. 1/49                  | 25<br>35                |
| Recreational                            |                       | Jewel Stores Ltd.<br>Shop-Easy Stores Ltd.<br>Safeway Stores Ltd.                                                                                                                                                                                                          | Winnipeg, Man.<br>"<br>"                                           | 5 to 12¢<br>5 to 12¢<br>5 to 12¢      | Feb. 1/49<br>"<br>"                      | 125<br>75<br>150        |
| TRADE                                   |                       |                                                                                                                                                                                                                                                                            |                                                                    |                                       |                                          |                         |

(1) The average hourly earnings quoted in the tables are for January 1, 1949 as published by the Dominion Bureau of Statistics.

(2) \$8 - \$10 - \$12 per week.

(3) Foundrymen Nov. 22/48; Steelworkers Oct. 1/48

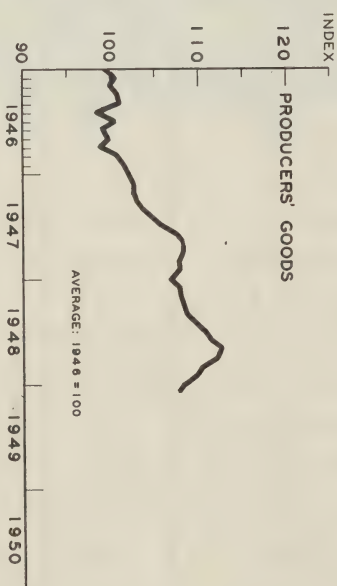
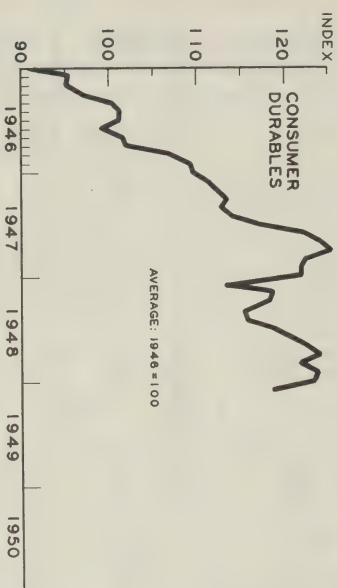
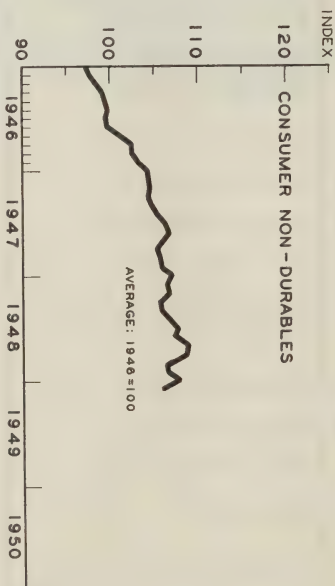
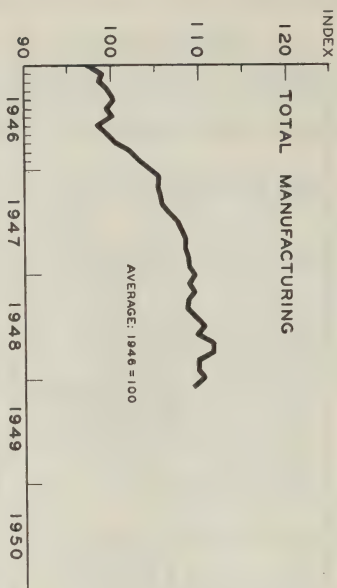
(4) \$4.40 per week and 30% of the fares collected over \$96.

(5) \$4.50 per week.

\* Date of press announcement.

# EMPLOYMENT TRENDS IN MANUFACTURING INDUSTRIES

SEASONALLY ADJUSTED



## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

The total number of persons affected by lay-offs during March was 2919, an increase of 535 over the number reported during the previous month. Shortage of orders accounted for 62 per cent of the lay-offs this past month. These for the most part were in the wood products, textile and iron and steel manufacturing industries. Material shortages accounted for 15 per cent of the current lay-offs and production changes for 12 per cent.

Reported non-seasonal lay-offs during March amounted to 2,919. In February, there were 2,384 persons laid off and in January 6,578. Shortages of orders were the cause of 62 per cent of the staff reductions during March. Shortages of materials accounted for another 15 per cent of the most recent lay-offs, and production changes for an additional 12 per cent. Other causes responsible for the remaining 11 per cent included furnace repairs, fire, financial difficulties, and the introduction of more efficient production methods whereby machinery replaced men in some cases.

Lay-offs because of shortages of orders were heaviest in the wood products manufacturing industry. Numerous sawmills across the country reported that poor market conditions have necessitated staff reductions. Shingle mills and furniture factories have also been affected. Lay-offs were high in the iron and steel manufacturing industry with European markets for processed steel and farm implements tapering off. Five textile firms reported lay-offs totalling nearly 200 because of lack of orders.

Of the 438 lay-offs because of material shortages, 150 were in industries using iron and steel. Early in March, a British Columbia sawmill reported a lay-off of 150 men due to a shortage of logs.

The 355 lay-offs caused by production changes were almost entirely in railway rolling stock manufacturing. It is quite normal, however, for staff reductions to occur between orders for railway cars, in order to facilitate slight changes in production. The reporting firms plan to rehire their workers shortly.

Among "other causes", fires were responsible for the largest number of workers being released. Fires which destroyed a furniture factory and a sawmill in Quebec threw nearly 100 persons out of work. Installation of new machinery in a pulp mill in eastern Canada cut staff requirements by 90. The remaining other causes were as follows: furnace repairs - 60 workers laid off; temporary work completed - 52; financial difficulties - 32.



Table I--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause

| Cause of Lay-off        | March, 1949 |          | February, 1949 |          | January, 1949 |          |
|-------------------------|-------------|----------|----------------|----------|---------------|----------|
|                         | Number      | Per Cent | Number         | Per Cent | Number        | Per Cent |
| Shortage of Orders..... | 1,797       | 61.6     | 1,691          | 70.9     | 3,485         | 53.0     |
| Shortage of Material... | 438         | 15.0     | 286            | 12.0     | 1,298         | 19.7     |
| Production Changes..... | 355         | 12.1     | 20             | 0.9      | 684           | 10.4     |
| Other.....              | 329         | 11.3     | 387            | 16.2     | 1,111         | 16.9     |
| Total.....              | 2,919       | 100.0    | 2,384          | 100.0    | 6,578         | 100.0    |

Table II--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry

| Industry                              | March, 1949 |          | February, 1949 |          | January, 1949 |          |
|---------------------------------------|-------------|----------|----------------|----------|---------------|----------|
|                                       | Number      | Per Cent | Number         | Per Cent | Number        | Per Cent |
| Food and Beverages.....               | 190         | 6.5      | 194            | 8.1      | 322           | 4.9      |
| Tobacco Products.....                 | -           | -        | -              | -        | 50            | 0.8      |
| Rubber Products.....                  | 92          | 3.2      | 160            | 6.7      | 202           | 3.1      |
| Leather Products.....                 | -           | -        | 54             | 2.2      | -             | -        |
| Textile Products.....                 | 220         | 7.5      | 95             | 4.0      | 54            | 0.8      |
| Clothing.....                         | 136         | 4.7      | 101            | 4.2      | -             | -        |
| Wood Products.....                    | 794         | 27.2     | 536            | 22.5     | 1,171         | 17.8     |
| Paper Products.....                   | 328         | 11.2     | 80             | 3.4      | 414           | 6.3      |
| Printing and Publishing               | -           | -        | -              | -        | -             | -        |
| Iron and Steel Products               | 519         | 17.8     | 345            | 14.5     | 442           | 6.7      |
| Transportation Equipment              | 510         | 17.4     | 86             | 3.6      | 2,937         | 44.6     |
| Non-Ferrous Metals.....               | 35          | 1.2      | 55             | 2.3      | 256           | 3.9      |
| Electrical Apparatus...               | -           | -        | 42             | 1.8      | 42            | 0.6      |
| Non-Metallic Mineral<br>Products..... | 83          | 2.9      | 355            | 14.9     | 638           | 9.7      |
| Chemical Products.....                | -           | -        | 190            | 8.0      | 50            | 0.8      |
| Miscellaneous.....                    | 12          | 0.4      | 91             | 3.8      | -             | -        |
| Total.....                            | 2,919       | 100.0    | 2,384          | 100.0    | 6,578         | 100.0    |

# REGIONAL ANALYSIS

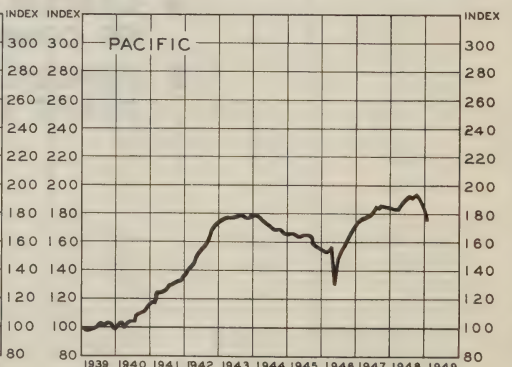
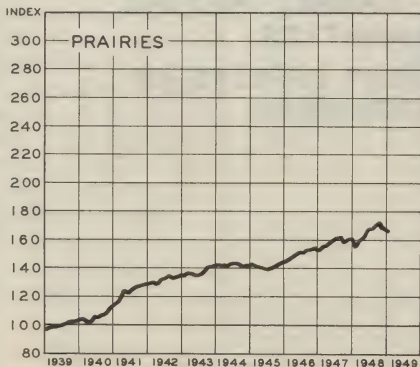
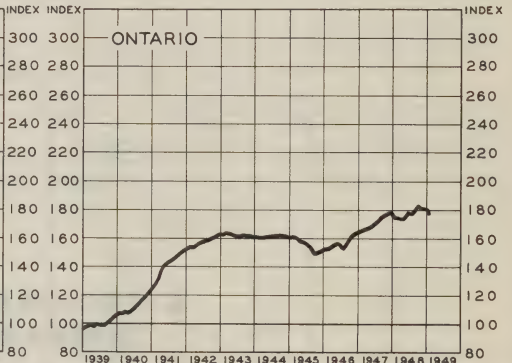
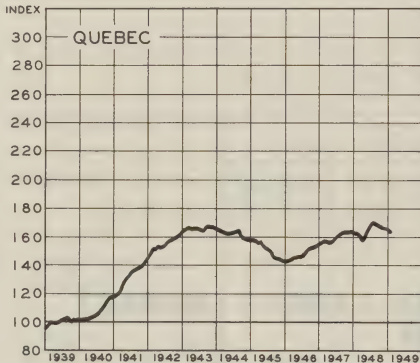
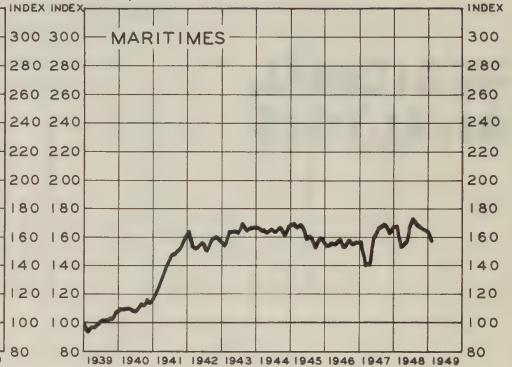
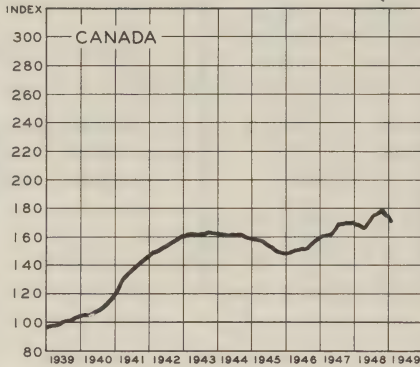
- ▲ REGIONAL LABOUR MARKET SUMMARY
- ▲ LABOUR MARKET RATING OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF PLANT EXPANSION

# REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE: 1939 = 100)





## REGIONAL LABOUR MARKET SUMMARY

Seasonal expansion in employment was evident in all regions during March, particularly in British Columbia. In the Maritimes and Quebec, which were more affected by the usual springtime declines in logging, the labour market was quieter. Prosperity was the keynote of Prairie reports, and preparations for a very active season were under way.

### THE MARITIMES —

Employment during March hovered on the verge of spring expansion, which heavy snowfalls delayed in some areas. Preparations for a busy season in construction and fishing were underway, however. The entry of Newfoundland into Confederation particularly affects the Maritimes and it was expected that many Newfoundlanders will be attracted to the region in search of employment.

In Nova Scotia, northern ports expected a heavy increase in passenger and freight traffic to and from the new province. Saint John and Halifax faced the usual seasonal slackening in port activity with the opening of navigation on the St. Lawrence.

Manufacturing employment was expanding and most of the workers who had been laid off temporarily had been recalled by the end of the month. Heavy iron and steel industries reported substantial orders on hand. Paper mills were concentrating on quality rather than volume of production, in order to compete with Scandinavian and other manufacturers looking for markets in this country.

Coal mines in several areas were still on part-time operation due to lack of orders.

Logging operations have ended except for river driving which will start when the ice clears.

Sydney—The scheduled Canso Bridge project will stimulate transportation and trade in this part of the country.

Halifax—Shipyards employment is stable and the outlook good with several large contracts under negotiation. The construction industry is active, employing nearly all tradesmen.

New Glasgow—Steel industries are busy, and a large rolling stock contract scheduled to start late in April will re-employ all the workers recently laid off during work on a smaller order.

### QUEBEC —

Employment conditions remained fairly stable during March. The normal pick-up has not been as evident because of adverse weather, overstocking in certain fields of manufacturing, and a hesitancy in labour demand while industry waited for the new Budget. These factors reduced labour demand, but optimism prevailed with regard to the next few months.

Heavy industries and construction are well supplied with contracts, however, so that the general picture for Spring is good.

Conditions in manufacturing seemed to be stabilizing. In primary textiles, production was at a good level with well-balanced demand for and supply of labour; low turnover was evidence of stabilization in an industry previously noted for its high labour turnover. Clothing firms also reported balanced labour conditions, one factor being the immigration of qualified experienced workers from D.P. camps. Employment in heavy steel industries fluctuated according to the supply of imported steel; orders were plentiful.

Logging operations were over except for river-driving which is expected to start early in April and will last for about three weeks.

Contractors were re-hiring crews as construction work opened up.

Rouyn—Expansion of smelting capacity is expected, in order to take care of the increased ore production of the area.

Chicoutimi—The aluminum industry is rapidly getting back to full production, following its recent set-backs during the hydro shortage.

Montreal—The Port of Montreal was due to open shortly as ice breakers moved up the St. Lawrence, and this will stimulate employment activity.

#### ONTARIO —

Spring activity and the Federal Budget announcements towards the end of March, stimulated employment in some industries. For others, a better balance between supply and demand in the domestic market, and the loss of export markets, were increasing the element of competition and cost-cutting, thereby reducing labour demand. In any case, employment remained above the 1948 level, and the labour surplus continued to decline.

Labour demand in general manufacturing industries remained dull, but those affected by the new Budget showed signs of increased activity. The confectionery, soft drinks, cosmetics and jewellery industries especially, planned immediate employment expansion. Heavy manufacturing firms remained active and gradual employment expansion was forecast. The trend in employment has continued steadily upward throughout the past year.

Employment in the automobile industry will probably remain stable at well above the 1948 level once production is in full swing again; re-hiring was almost completed. Furniture and electrical goods employment was settling down in the face of stiffer market conditions.

The outlook for construction varied somewhat--in some areas a busier season than 1948's was expected, in others a less active one. In any case, full employment of all construction workers was indicated.

Orders for farm workers were coming in, as spring work began. Lake shipping firms were preparing for the opening of navigation early in April, and crews were aboard most ships.

## THE PRAIRIES --

Employment expansion was well underway during March. The labour surplus continued to decline, even though logging operations were ending and several thousand woodsmen were looking for other employment.

The Spring rush in agriculture had not yet started, but farmers were coming into town to place orders for workers, arrange for machinery repairs and deliver grain. This activity was felt throughout the region, stimulating business in general.

In the Great Lakes area, a surplus of workers has accumulated since the completion of winter logging. The river drives will start after the spring break-up, however, and this, along with increased activity in farming, construction and navigation, will absorb the available manpower. Navigation was scheduled to open early in April and there are 55 million bushels of grain at the Lakehead awaiting shipment within the next few months.

The construction industry faced another busy year, particularly in the West.

Coal orders were slackening and most mines were cutting employment. Production was down considerably because of the recent strike and attempts to operate through severe winter conditions.

Oil drilling in Alberta is reaching boom proportions. Large quantities of oil are being produced--the pay zone in one area reached a previously unheard-of thickness for Canada, and there is evidence of enormous production possibilities. Labour requirements will be heavy this season and qualified engineers will be in demand.

Calgary and Edmonton--Employment conditions were favourable and the outlook fine. The oil boom contributes in large measure to this prosperity.

Fort Frances--Shipping of iron ore will start about the middle of April and manpower requirements will probably double, but housing scarcity is a problem in this area.

## THE PACIFIC --

The employment situation in the Pacific region improved more rapidly than in all other regions during March. Many hundreds of workers who had been temporarily out of work because of severe weather, were leaving B.C. to return to farming. Prairie workers were rapidly returning to their jobs. Construction and logging were expanding after the forced shutdown of the past few months, and shortages of skilled workers were already looming in some areas. By late spring, the usual scarcity of young and middle-aged workers for heavy unskilled labour will probably be felt.

The re-opening of coastal logging camps has provided a great deal of employment, not only for woodsmen, but in all associated industries. Interior camps and those on higher levels were still closed because of road conditions, but after the spring thaw would be fully operative. Sawmills were working at capacity, and shingle mills were again active.



Construction was once more underway and local jobs were employing many workers, both skilled and unskilled. A shortage of skilled workers in the trowel trades was already noted, and will likely become more acute as the season progresses. Building contractors claimed that if architects were faster with plans, even more men could be employed; architects state that the plans are drawn as scheduled, but have to be altered continually because of rapid price changes. Out-of-town construction had not opened up to any extent, but labour demand will be heavy when it does.

Activity in the coming months in mining areas will be extensive, and base metal operations, particularly, will absorb many workers; labour demand during March, however, was still relatively light. Similarly, in fishing the situation was quiet, but preparations for the season were going ahead; conditions were somewhat unsettled since terms and prices for fish had not yet been decided upon between officials and unions. Fishing companies have tightened the financing of gear and boats and many boats were listed for sale.

# LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at April 1, 1949, at March 1, 1949, and at April 1, 1948

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service offices. The ratings for March and April of 1949 are preliminary.

# LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>April<br>1, 1949 | Group Rating     |                  |                  |
|----------------------------------------|---------------------------|------------------|------------------|------------------|
|                                        |                           | April<br>1, 1949 | March<br>1, 1949 | April<br>1, 1948 |
| <u>Population of 100,000 and over</u>  |                           |                  |                  |                  |
| Quebec.....                            | 166                       | II               | II               | III              |
| Vancouver.....                         | 127                       | III              | II               | III              |
| Winnipeg.....                          | 85                        | III              | III              | III              |
| Windsor.....                           | 82                        | III              | III              | II               |
| Calgary.....                           | 67                        | III              | III              | II               |
| Victoria.....                          | 60                        | III              | III              | IV               |
| Ottawa.....                            | 57                        | III              | III              | II               |
| Edmonton.....                          | 48                        | IV               | III              | IV               |
| Montreal.....                          | 46                        | IV               | IV               | IV               |
| Hamilton.....                          | 41                        | IV               | IV               | IV               |
| Toronto.....                           | 35                        | IV               | IV               | IV               |
| <u>Population of 50,000 to 100,000</u> |                           |                  |                  |                  |
| Sydney.....                            | 220                       | II               | II               | II               |
| Fort William - Port Arthur.....        | 141                       | III              | III              | III              |
| Halifax.....                           | 96                        | III              | III              | III              |
| Saint John.....                        | 76                        | III              | III              | III              |
| Regina.....                            | 60                        | III              | III              | II               |
| London.....                            | 41                        | IV               | IV               | IV               |
| Kitchener-Waterloo.....                | 15                        | IV               | IV               | IV               |
| <u>Population of 25,000 to 50,000</u>  |                           |                  |                  |                  |
| Chicoutimi.....                        | 294                       | II               | I                | III              |
| Hull.....                              | 238                       | II               | II               | II               |
| Shawinigan Falls.....                  | 162                       | II               | II               | III              |
| Sherbrooke.....                        | 124                       | III              | III              | IV               |
| Oshawa.....                            | 108                       | III              | III              | II               |
| Three Rivers.....                      | 105                       | III              | III              | III              |
| Saskatoon.....                         | 62                        | III              | III              | II               |
| Kingston.....                          | 61                        | III              | III              | IV               |
| St. Catharines.....                    | 58                        | III              | III              | II               |
| Peterborough.....                      | 49                        | IV               | IV               | IV               |
| Brantford.....                         | 46                        | IV               | III              | IV               |
| Sault Ste. Marie.....                  | 36                        | IV               | IV               | IV               |
| Sudbury.....                           | 30                        | IV               | IV               | IV               |
| <u>Population of under 25,000</u>      |                           |                  |                  |                  |
| Sorel.....                             | 373                       | I                | I                | II               |
| Pictou - New Glasgow.....              | 234                       | II               | II               | II               |
| Valleyfield.....                       | 173                       | II               | II               | II               |
| Amherst.....                           | 149                       | III              | III              | II               |
| Welland.....                           | 92                        | III              | III              | IV               |
| Niagara Falls.....                     | 47                        | IV               | III              | IV               |
| Trail.....                             | 41                        | IV               | IV               | IV               |



# EMPLOYMENT EFFECTS OF PLANT EXPANSION

In the first quarter of 1949, completions of industrial expansion projects resulted in some 2,000 job openings. Most of these resulted from projects which were started in 1948, but jobs opening up later this year will largely be due to 1949 investment projects. The amount of new construction work already under way in 1949 is very high, with the value of industrial contracts awarded in the first quarter setting an all-time record at \$51.5 million.

The Canadian industrial expansion boom of recent years was well sustained during the first quarter of 1949 when at least 1,970 new jobs resulted from approximately 82 industrial expansion projects. Most of these new jobs, however, were a result of the carry-over of industrial construction work from the previous year.

So far, 1949 promises to be a very busy year. The unprecedented value of industrial contracts awarded in the first quarter of 1949 was \$51.5 million, an amount which exceeds that of any other quarter for as far back as 1939.

The Ontario region showed the largest amount of industrial expansion in the first quarter, with some 52 completed projects which provided jobs for some 1,200 workers. Seventeen projects were finished in Quebec, entailing 380 new jobs. Over 200 new jobs were opened up in the Maritime provinces and over 100 in British Columbia, while the Prairie provinces and Newfoundland had relatively little industrial expansion at this time.

The following table illustrates the main industries throughout Canada in which industrial expansion took place during the first quarter of 1949 and its employment effects:

| <u>Industry</u>               | <u>Number of<br/>Projects</u> | <u>Number of New<br/>Employees</u> |
|-------------------------------|-------------------------------|------------------------------------|
| Iron and Steel Products       | 19                            | 430                                |
| Food and Beverages            | 15                            | 104                                |
| Chemicals                     | 10                            | 109                                |
| Non-metallic Mineral Products | 7                             | 173                                |
| Paper Products                | 5                             | 500                                |
| Electrical Apparatus          | 4                             | 133                                |
| Leather Products              | 4                             | 165                                |
| Wood Products                 | 3                             | 130                                |
| Others                        | 15                            | 226                                |

About 62 per cent of all industrial expansion in Canada during the first quarter of 1949 occurred in Ontario. Of the 1,200 new jobs in this province, about 450 were provided by two paper products plants: Hinde and Dauche Paper Co. at Chatham and the Dixie Paper Cup Co. (Canada) Ltd. at Brampton. The iron and steel industry provided some 220 new jobs, of which 90 were in the new plant extension of the Standard Sanitary and Dominion Radiator Ltd. of Toronto.

INDUSTRIAL EXPANSION AND NEW JOBS

| Area                  | Industry and Name of Company                                    | Type of Expansion(1) | Number of New Employees | Probable Time of Commencement of Production |
|-----------------------|-----------------------------------------------------------------|----------------------|-------------------------|---------------------------------------------|
| Charlottetown, P.E.I. | Food and Beverages<br>Evangeline Beverages Ltd.                 | N.P.                 | 10                      | 1st Qtr/49                                  |
| Halifax, N.S.         | Transportation Equipment<br>Fairley Aviation Co. of Canada Ltd. | P.F.                 | 200                     | 1st Qtr/49                                  |
| Lunenburg, N.S.       | Food and Beverages<br>Lunenburg Sea Products Ltd.               | N.P.                 | 3                       | 1st Qtr/49                                  |
| Buckingham, P.Q.      | Chemicals<br>Chipman Chemicals Ltd.                             | N.P.                 | 12                      | 1st Qtr/49                                  |
| Montreal, P.Q.        | Textiles<br>British American Silk Mills Ltd.                    | P.E.                 | 15                      | 1st Qtr/49                                  |
| Terrebonne, P.Q.      | Leather Products<br>Premier Leather Goods Ltd.                  | P.F.                 | 40                      | 1st Qtr/49                                  |
| Valleyfield, P.Q.     | Textiles<br>Asten-Hill Ltd.                                     | P.E.                 | 30                      | 1st Qtr/49                                  |
| Ajax, Ont.            | Electrical Apparatus<br>Pye Ltd.                                | P.F.                 | 100                     | 1st Qtr/49                                  |
| Brampton, Ont.        | Paper Products<br>Dixie Cup Company (Canada) Ltd.               | N.P.                 | 300                     | 1st Qtr/49                                  |
| Brockville, Ont.      | Miscellaneous<br>The Rollit Pen Company                         | N.P.                 | 11                      | 1st Qtr/49                                  |
| Haley, Ont.           | Non-ferrous Metal Products<br>Dominion Magnesium Ltd.           | P.E.                 | 12                      | 1st Qtr/49                                  |
| Toronto, Ont.         | Non-ferrous Metal Products<br>Baker Platinum of Canada Ltd.     | P.E.                 | 50                      | 1st Qtr/49                                  |

(1) N.P. - New Plant; P.E. - Plant Expansion; P.F. - Present Facilities







A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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DEPT. OF POLITICAL ECONOMY  
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FEATURE ARTICLE.....

The Employment Effects  
of Industrial Expansion  
in 1948.

Volume 5

Number 5





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CANADIAN LABOUR MARKET  
Research and statistics branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

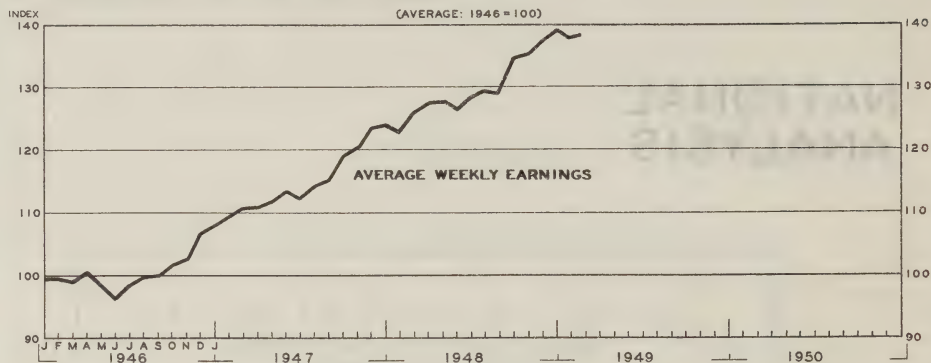
# NATIONAL ANALYSIS

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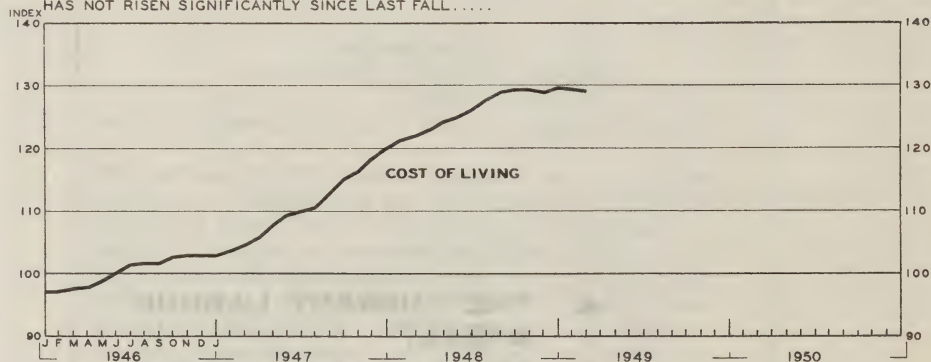


# REAL WEEKLY EARNINGS....

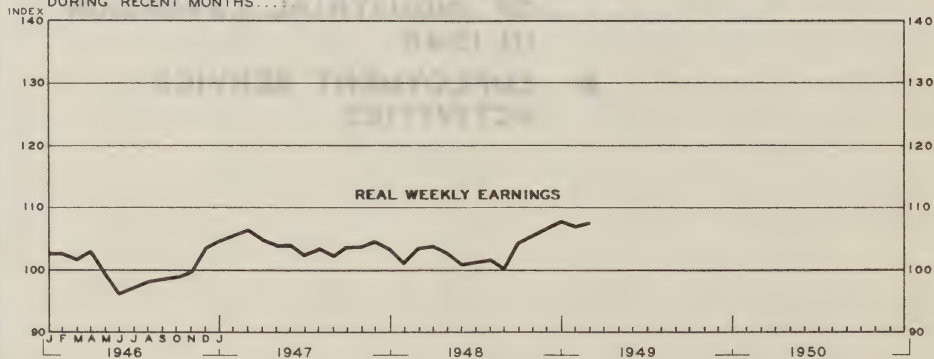
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## THE CURRENT LABOUR MARKET

Areas of labour shortages began to appear in various industries and regions of the country during April and early May. So far, such shortages have been primarily confined to seasonal industries in sections of the country where weather conditions favoured early activities. On the other hand, small lay-offs in a number of manufacturing industries continue, mainly due to market difficulties. In general, however, unemployment continues its steady seasonal decline

The expansion of seasonal activities continues to dominate the labour market, although a number of unfavourable developments are still present. In many sections of the country, labour surpluses are dwindling sharply as farmers get their seeding operations well under way and building activity expands. Such is the case in many of the agricultural districts of southern Ontario, throughout most of the farms in the Prairie provinces, and in the dairy and potato sections of the Fraser Valley.

Construction activity at this time presents a rather diverse picture. In the Maritime provinces, there is evidence of a very busy building season ahead, with federal and provincial government contracts being largely responsible. In Quebec, construction activity has been slow in starting but prospects are good for the coming months, especially for residential building. The Ontario construction industry has also begun work later than usual this season; however, as activity increases, the demand for skilled tradesmen is expected to be heavy. In the Prairies, the immediate employment picture for skilled building workers is bright, but opportunities for unskilled labour may become limited before the close of the construction season. Throughout British Columbia, the industry shows promise of being extremely active with virtually unlimited employment opportunities.

Woods operations in Eastern Canada were very low during April, but began to pick up in May as spring drives got under way. In almost all eastern logging areas, employment is considerably lower than one year ago. Logging camps in British Columbia, on the other hand, are rapidly opening up, although firms in the Prince George area will remain idle until the roads are fixed. An active year is in prospect for the West Coast logging industry and, already, shortages of key workers have become apparent.

Employment prospects in manufacturing industries are varied. Shipbuilding activity on the East coast is being hampered by the seamen's strike. In Quebec, caution continues to be the keynote in most manufacturing firms. In some instances, production has been curtailed as a result

of the lack of export orders; the transportation and chemical industries, however, are working at full capacity. The same general situation exists in Ontario. While some manufacturing industries indicate increased labour needs, others have been reducing their staffs or their hours of work. In the Prairies, too, expanding labour needs are confined to a number of seasonally active manufacturing industries such as those producing building materials, soft drinks, and boots and shoes. There is only slight activity in the general manufacturing field in British Columbia.

Employment, earnings, total labour income and production have all surpassed last year's level during the first quarter of 1949. None of the increases are startling, however. Gains in industrial employment during the first quarter of 1949, as compared with the same period one year earlier, have been offset by shorter working hours. As a result, the increase in production was slight.

Average weekly earnings have continued their steady rise during the first three months of 1949, and average about 12 per cent higher than in the initial quarter of 1948. With the rise in consumer prices halted, real weekly earnings are showing their first sharp increase for some time. In the first quarter of 1949, the latter averaged almost 5 per cent more than one year ago and about 7 per cent higher than the average for 1946.

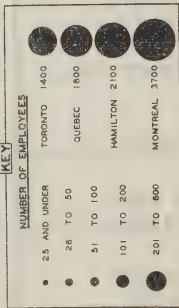


SELECTED LABOUR MARKET TRENDS

| Indicator                                     | Latest Data |               | Percentage Change   |                           |                                              |
|-----------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                               | Month       | Amount        | From Previous Month | From same month last year | To date this Year from Same Period Last Year |
| Immigration.....                              | Mar.        | 9,000         | + 37.9              | - 13.7                    | + 0.8                                        |
| Civilian Labour Force (a)...                  | Nov. 20     | 4,964,000     | - 2.8               | + 0.6                     | + 1.5                                        |
| Total Employment (a).....                     | Nov. 20     | 4,858,000     | - 3.7               | + 0.2                     | + 1.4                                        |
| Total Unemployment (a).....                   | Nov. 20     | 106,000       | + 58.2              | + 21.8                    | + 4.8                                        |
| Industrial Employment (b)                     | Mar. 1      | 2,055,000     | - 1.0               | + 0.8                     | + 1.7                                        |
| Unplaced Applicants (c).....                  | May 1       | 199,000       | - 19.1              | + 20.7                    | + 29.6                                       |
| Unemployment Claims.....                      | Apr. 1      | 186,000       | - 11.0              | + 36.3                    | + 45.0                                       |
| Labour Income.....                            | Feb. 1      | \$605,000,000 | - 0.5               | + 10.2                    | + 10.9                                       |
| Average Weekly Earnings (d).                  | Mar. 1      | \$41.83       | + 0.3               | + 10.0                    | + 11.6                                       |
| Average Hourly Earnings (d).                  | Mar. 1      | \$.98         | + 0.3               | + 10.8                    | + 11.8                                       |
| Real Weekly Earnings<br>Av. 1946-100 (e)..... | Mar. 1      | 107.5         | + 0.5               | + 4.3                     | + 4.8                                        |
| Average Weekly Hours (d)....                  | Mar. 1      | 42.9          | - 0.0               | - 0.7                     | - 0.2                                        |
| Cost of Living<br>Av. 1935-39-100.....        | Apr. 1      | 159.3         | + 0.1               | + 5.1                     | + 6.1                                        |
| Man Working Days Lost<br>by Strikes.....      | Apr.        | 140,000       | + 2.8               | + 172.1                   | - 7.2                                        |
| Industrial Production<br>Av. 1935-39-100..... | Mar.        | 184.3         | + 2.4               | + 1.3                     | + 0.3                                        |

- (a) Estimated on basis of a one per cent sample of the population  
 (b) Based on firms 15 or more workers in nine leading industries  
 (c) Registered with National Employment Service Offices  
 (d) Wage earners in manufacturing only  
 (e) Per capita weekly earnings of wage earners in manufacturing  
 adjusted for cost of living.

## RESULTING FROM PLANT EXPANSION



# EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION IN 1948

Employment expansion as a result of new industrial construction reached its peak in the year 1948. In a survey conducted by the Department of Labour, 600 manufacturing firms which were putting up new plants were contacted. These reported that they had taken on some 16,000 new employees as a result of their expansion. Most of these jobs, about 90 per cent, were confined to two provinces, Ontario and Quebec.

The past decade has witnessed some basic and far-reaching changes in Canada's development as a nation. Many of these changes have been economic in nature and, of these, one of the most important has been the growth and development of the manufacturing industries.

Until recently Canada was primarily an agricultural nation. Gradually, however, an ever increasing proportion of the population has come to live and find their employment in urban areas. Back in 1871, 80 per cent of our population lived in the country. By the turn of the century, the proportion had shrunk to 62 per cent and the latest data show that about 45 per cent of our population now lives in rural areas.

Much of this growth of the urban population was dependent on the development of manufacturing industries which have, for the time being at least, replaced agriculture as Canada's most important industry group. The war gave a tremendous fillip to some branches of manufacturing production and the postwar boom period continued and complemented this rapid growth. In 1948, approximately 30,000 manufacturing establishments in Canada provided employment for nearly 1,300,000 persons. On the farms, in the same year, some 1,100,000 workers were employed.

To provide for the increased manufacturing production during and after the war, the construction of hundreds of new factories was necessary. Many were built for war production and reconverted after 1945 but in addition, a wave of new construction took place as soon as the war was over. This work was spread over the first three years after the war but the peak in respect to contracts awarded was reached in 1946. Many of these 1946 projects, however, never got beyond the contract stage in that year due to shortages of skilled labour and of materials. Most of the completions therefore, came during 1947 and 1948 and, as a result, the effect on employment in manufacturing was not felt until two years after V-J day.

In order to estimate the number of new jobs created by industrial expansion during the year 1948, the Department of Labour contacted some 600 firms which had been reported as constructing new plants or plant additions during that year. Replies from these firms indicated that the total number of new jobs as a result of such expansion was about 16,000.

Possibly the most striking feature of industrial expansion in 1948, from the point of view of employment, was that 90 per cent of the



increase took place in two provinces, Ontario and Quebec. It would seem that, rather than following a tendency towards decentralization, Canadian industry is continuing to concentrate in the central provinces. The other three regions, the Maritimes, the Prairies and British Columbia, shared equally in the remaining 10 per cent.

The extent of industrial expansion was not great enough, nor is the space of one year long enough, to indicate any trend towards a basic change in the structure of the manufacturing industry in Canada. The activity during 1948 however, was part of the long term trend towards greater diversification of product and a broadening of markets.

Manufacturing employment in this country is based primarily on such protected industries as iron and steel (28 per cent of all employment) and primary and secondary textiles (11 per cent), together with the products secondary to our basic industries, such as foods (10 per cent) and pulp and paper (8 per cent).

With one or two exceptions, the new jobs reported to the Department of Labour fell into the various industry groups roughly in correspondence to the distribution of manufacturing employment as a whole. Of the new jobs in 1948, considerable concentrations were found in iron and steel (30 per cent), textiles (11 per cent), and pulp and paper products (8 per cent). Electrical apparatus was surprisingly high with 14 per cent of the total and food products relatively low forming only 7 per cent.

With the construction of a new plant, it did not necessarily follow that there was an increase in the work force. In fact, only about 50 per cent of those reporting indicated such an increase.

In some cases, the new facilities resulted in more efficient production, and employment was reduced. Other firms were building new factories because they had to move, replacing old quarters, or adding more floor space because of crowded conditions and little or not additional help was required in these instances. A few firms had postponed their construction plans, usually because of high building costs but sometimes due to such other factors as foreign exchange difficulties, or loss of markets.

#### THE MARITIMES

Industrial expansion, in the form of new industries, was not a major factor in determining the trend of manufacturing employment in the Maritimes during the year 1948. The number of new plants was relatively small, with the number of new jobs resulting from industrial expansion totalling 483. This increase was not enough, however, to offset a decline of some 2 per cent in total manufacturing employment during the year. With increased employment in pulp and paper, the drop was due to curtailed activity in the shipbuilding and lumber industry.

About one-third of the region's 50,000 manufacturing workers are employed in the iron and steel industry, which includes a well established primary iron and steel plant as well as important shipbuilding and railway rolling stock companies. Only one major plant expansion was reported in this group in 1948. This was Canadian Assemblies Ltd., at Amherst, N.S., which assembles Bendix Washing Machines for the export and domestic market. This firm took on 250 workers and provided indirectly several hundred additional jobs in four other Maritime plants.

The secondary forestry industries - pulp and paper plants, saw-mills, planing mills - rank second to iron and steel as an employer of

labour in the Maritimes manufacturing industry. Modernization programs were being carried out in most pulp and paper plants in the area. No new large plants came into production in the past year, however, although a \$4,000,000 pulp mill is being erected by the Fraser Companies at Newcastle, N. B., and a \$65,000,000 newsprint and kraft mill at Lepreau, N.B., is in the planning stage.

Nearly one-half of the 2,500 manufacturing establishments in the Maritimes are sawmills, with a labour force varying in total from 5,000 to 7,000. Most of the mills are small, however, and very vulnerable to changing market conditions, such as the partial loss of the United Kingdom market last year. For these reasons, it was not possible to keep track of the changes in the number of sawmills and their effect on employment in 1948.

Two United Kingdom firms are establishing branch plants in the Maritimes which may develop into large scale manufacturing firms. Cosser (Canada) Ltd. is establishing a factory at Halifax to manufacture electronic equipment and will employ 80 to 100 workers when production begins. Fairey Aviation Ltd. has taken over a plant near Dartmouth, N.S., for repair and maintenance of Fairey aircraft and the manufacture of other Fairey products, such as pleasure boats.

#### QUEBEC

The industrialization of the province of Quebec proceeded at a very rapid pace during 1948. The employment created by this expansion, about 7,500 jobs, formed almost one-half of the total for Canada as a whole. Not only were there a large number of new plants built in that province last year, but they represented an increased diversification in terms of type of product to be manufactured.

This province already has a strong and well-balanced manufacturing industry, second only to Ontario. According to the latest statistics, over 350,000 persons are employed in Quebec's manufacturing plants. Some of the largest industries, on the basis of employment, are pulp and paper (22,000), women's clothing (20,000), men's clothing (15,000), boots and shoes (15,000), railway rolling stock (13,000), electrical apparatus (13,000), and sawmills (10,000).

As noted, the employment resulting from the 1948 industrial expansion was distributed generally among all manufacturing industries. More than one-half of the new plants were divided among three industries, however. These were the chemical industry (15 new plants and 1,300 new jobs), primary textiles (15 and 1,400), and iron and steel (13 and 600).

Several of the new plants constructed were large enough to be very important in themselves from the point of view of both the economic structure of the province and the employment provided. For example, Turner and Newall Ltd., a British firm with branches all over the world, have located at Montreal to manufacture a line of industrial asbestos products never made before in this country. The Canadian Celanese Ltd., have a new plant in Sorel which employs 500 workers. A second British firm, Lines Bros. (Can.) Ltd., have taken on 450 new employees to manufacture children's bicycles and wagons. The transfer by the Canadian General Electric Co. of their household appliance manufacturing operations to Montreal meant an employment increase of 900 and another new establishment

opened by the same firm in Quebec City took on 350 workers. In Quebec City, when the B. Houde and Grothe plant, a subsidiary of the Imperial Tobacco Co., took over a portion of the St. Malo Arsenal building, 450 new jobs resulted.

### ONTARIO

Although considerable publicity has been given to the establishment of new firms from the United Kingdom and the United States in this country after the end of the war, it was found that most of the increased employment, both in Ontario and in Canada as a whole, resulted from new plants built by firms already established in this country for some time. Further, these firms were usually very large ones with sufficient financial strength to launch into new lines or increased production on a big scale.

This was particularly evident in Ontario. For example, 400 were employed in the new seed drill plant of International Harvester Ltd. at Hamilton; Massey-Harris took on 300 in their new foundry at Brantford; Studebaker and Remington-Rand who previously had assembly plants here, have constructed manufacturing plants which have an employment potential of 1,200 and 175 respectively.

Thus, in Ontario a relatively small number of very large corporations were responsible for an extremely high percentage of the new employment. Six firms, all of which took on 300 or more workers, accounted for 46 per cent of the employment increase.

Plant expansion in Ontario was confined almost entirely to the industrial triangle in the south-west section of the province. Toronto did not dominate the picture to the same extent as Montreal did in Quebec, however. There was considerable industrial construction in such cities as Hamilton, Sarnia, Brantford, London and others. Only scattered instances of expansion were reported from the Ottawa valley, Georgian Bay and eastern Ontario regions. In northern Ontario, only one large plant was reported. This was the Longlac Pulp and Paper plant, employing 525 at Terrace Bay on the north shore of Lake Superior.

A tendency towards concentration in two or three types of industry was also apparent. More emphasis on durable goods industries was the keynote of manufacturing expansion in Ontario in 1948. Thirty new iron and steel plants and ten electrical apparatus establishments came into production. The growth of the textile industry, a feature of Quebec manufacturing, was not apparent in Ontario among larger plants at least. Both provinces experienced a similar increase in chemical manufacturing facilities, however.

On an industry basis, the following industry groups were the more important in the 7,000 total of jobs reported: iron and steel (2,084), transportation equipment (1,234), electrical apparatus (958), pulp and paper products (661), food and beverages (379), non-metallic mineral products (323), and rubber products (300).

### THE PRAIRIES

Manufacturing in the Prairie provinces is of much less importance than it is in the East, all told it employs about 70,000 persons. A considerable part of this employment, somewhat less than one-half, is in



industries secondary to agriculture, such as slaughtering and meat packing, flour and feed mills or bread and bakery products.

During 1948, however, one new manufacturing industry centered in Edmonton was developing rapidly. This was petroleum refining, the secondary manufacturing process resulting from the rapid development of the Leduc and other oil fields. It is a characteristic of the petroleum products industry that the ratio of capital expenditures to labour employed is very high. Consequently, the increase in manufacturing employment in Alberta as a result of the new oil discoveries has not been large. The major portion of new employment, about 6,000, has been in the primary section of the industry.

Imperial Oil Company Ltd., is the only major refining company in this area as yet. This company bought the original Canol oil project plant at Whitehorse, Y.T., freighted it to Edmonton and re-erected it. This was part of a \$50 million expansion program, of which \$30 million was to be spent for pipeline construction from Leduc to Edmonton and possibly to Regina and Moose Jaw, and the remaining \$20 million for exploration and development. The staff required in Imperial Oil's new Edmonton plant was in the neighbourhood of 150 workers.

Continued growth in this industry in the west is expected in the next few years. McColl-Frontenac Ltd. anticipate building a \$10 million plant, also at Edmonton. A \$6 million gas gathering and absorption plant is planned for 1949 near Devon in the Leduc section by Imperial Oil Ltd. In Saskatchewan, two refineries are planned, a co-operative project at Regina and Hi-Way Refineries at Saskatoon. These latter two will be built when the new pipeline to Regina, which was in the contract stage early in 1949, is completed.

Other than in the petroleum products industry, there was little industrial expansion carried on in the three Prairie provinces in 1948.

#### BRITISH COLUMBIA

Although British Columbia is considered one of the most promising areas for future industrial development, the manufacturing industry in this province remains a relatively small employer of labour in comparison with Ontario and Quebec. Nor was the new construction which was carried out in 1948 of sufficient volume to suggest that the province will be a rival to the other two in the near future. A considerable number of very large plants are planned for construction in the next few years, but these are mainly in the secondary forestry industries. The province does not seem to be moving towards the wider basis of industrial diversification present in the East.

The Department of Reconstruction estimates of capital investment during the year 1948 show that, on a per capita basis, expenditures were higher in British Columbia than in any other province. The corresponding increase in employment has not been nearly as high, however. During 1948, 14 firms in this province reported increased employment as a result of plant expansion, with a total of 461 new jobs.

Most of this activity was centred in the secondary forest industries, which already form the main basis of the economy of the province. During the past year, five pulp and paper products plants and

three woods products plants came into production with 177 new jobs. Other plants included in the list, with the employment increase in brackets, were three chemicals firms (62), two iron and steel firms (115), one petroleum plant (7).

The ratio of capital investment to employment is high in this province because many of the projects planned are of the type which require a considerable initial outlay, but small use of labour. These include especially pulp and paper, aluminum, and petroleum factories. As well, construction of these large-scale plants requires considerable time and thus many, which were begun in 1948 or even earlier, did not come into production during that year. Again, one firm, the Sorg Pulp Co., completed a large modernization and expansion program which resulted in a reduction of employment.

Several large-scale projects planned for this area are still in the preliminary stages. These include the Celanese Corporation of America (Columbia Cellulose Co.) plant at Prince Rupert and the Canadian Western Lumber Co. project at Duncan Bay. The Aluminum Co. of Canada is looking around for a good site and may go ahead in 1949. The H.R. MacMillan Export Co. will have a new plant in operation at Nanaimo in 1950. This establishment will be known as the Nanaimo Sulphate Co. and is expected to employ about 200 persons.

From the above summaries and other information available in the Department of Labour, it would seem that 1948 marked the peak of employment expansion as a result of postwar employment of manufacturing facilities. For the year 1949, a decline in industrial construction is expected.

Work which is being carried on in the present year can be divided into two main types: carry-over from last season and new investment. The carry-over of work this year has been much smaller than in the 1947-8 season. Thus, in the first quarter of 1949, new jobs resulting from plant completions were 60 per cent fewer than in the same period last year, although a few firms were still to be heard from. New construction, on the other hand, as indicated by contracts awarded, has been far above 1948 levels in value. Much of the total, however, was due to the construction of four large projects which will result in relatively little manufacturing employment after completion.

For the remainder of the year, the Department of Reconstruction has concluded that "present evidence points to a levelling off in the trend of capital investment for 1949".<sup>(1)</sup> A similar trend is indicated in reports received in the Department of Labour from employers. In 1949, "new" employment as a result of industrial expansion should still be high, although not of the same volume as in the record year 1948.

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(1)

Private and Public Investment in Canada P. 5, Ottawa, 1949.

## EMPLOYMENT SERVICE ACTIVITIES

Both the rate and extent of decline in the number of unplaced applicants during April were very encouraging. More than 40,000 workers' applications were removed from the live application file during the month. The skilled and semi-skilled workers benefitted earliest from the seasonal upswing and almost all were back at work by the end of April. The unskilled labour market, however, was moving more slowly. The absorption of the 17,000 university graduates this year, was progressing satisfactorily.

Great progress was made during April in reducing the backlog of applicants registered for work. In fact, the monthly decline in unplaced applicants, totalling 43,000, exceeded that of any previous month on record. Starting with a weekly drop of 7,000, the rate of decline jumped to 15,000 by the last week of April. This brought the number still unplaced to just over the 200,000 mark at the end of April.

During this active seasonal period, employment offices were effecting at least 11,000 placements each week, increasing to a total of 17,000 in the last week of April, according to preliminary estimates. In addition, they were able to add approximately 2,000 to 3,000 jobs each week to the backlog of orders on file.

As usual at this time of year seasonal industries were the main sources of employment. Thousands of additional workers in agriculture and construction were hired during the month. Transportation industries also took on many workers, both for water and inland activity.

This expansion as a whole conformed to the usual seasonal pattern. In construction, employers were noticeably cautious in their hiring, primarily taking on former employees; fewer orders than usual were coming through to the Employment Service. The agricultural labour market was active and, while orders at employment offices were more plentiful than in previous years, this appeared to be more the result of wider participation by the Service in the field of farm labour, than a strengthened demand for workers. Despite these conditions, demand was rapidly nearing the supply of workers in construction, and had already surpassed the available supply in agriculture.

Not all employment operations at this time were in the seasonal field. The re-call of workers temporarily laid off still accounted for a large part of labour market activity. The more fluid labour market in manufacturing had stepped up both the hiring and separation rate, and a fair number of workers returned to their regular employment during the month.

Replacement needs also were a factor at this time, although less significant than in previous years. Each spring outside work and other seasonal jobs attract workers from employment which they had accepted during the winter months when jobs were scarce. This creates openings in a wide number of industries, which themselves are not seasonal in character. This year, the re-shuffling movement has been much smaller, especially in the men's fields. Women were leaving jobs more readily and because of this, hotels, restaurants and laundries, for which a balanced labour market had existed during the winter, were again facing a shortage of workers.



The Employment Service was also busy at this time finding jobs for the 17,000 university students expecting to graduate this year. Although this is the highest number on record to graduate in one year, absorption of these workers into employment was progressing very satisfactorily. By the end of April, it was estimated that 80 per cent of the graduating class had already been placed. Technical help for the most part was being absorbed immediately, although there was a scarcity of jobs locally for a small number of chemical engineers in the Prairie provinces and British Columbia. Employment activity was slower among commerce and arts graduates. The placement difficulty here, however, was greatly lessened by the high calibre of students graduating and their absorption into commerce and industry seemed assured, even if slightly delayed.

In addition, approximately 35,000 university students were looking for summer jobs. Generally, these students faced less favourable employment conditions than in 1948, although at this early date it is difficult to estimate all potential openings. An indication of the current rate of absorption is the fact that by the end of April approximately one-half of the students in the four Western provinces had found jobs, according to a recent survey.

Table I-- Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                         | Average Weekly |                  |               |
|--------------------------------|----------------|------------------|---------------|
|                                | March<br>1949  | February<br>1949 | March<br>1948 |
| Applications x.....            | 31,000         | 32,000           | 28,000        |
| Vacancies Notified.....        | 17,000         | 13,000           | 18,000        |
| Placements.....                | 10,100         | 8,800            | 10,100        |
| Women.....                     | 3,800          | 3,500            | 3,500         |
| Veterans.....                  | 1,800          | 1,500            | 2,400         |
| Handicapped.....               | 180            | 175              | 225           |
| Executive and Professional.... | 50             | 50               | 45            |

x Does not include renewals.

# INDUSTRIAL ANALYSIS

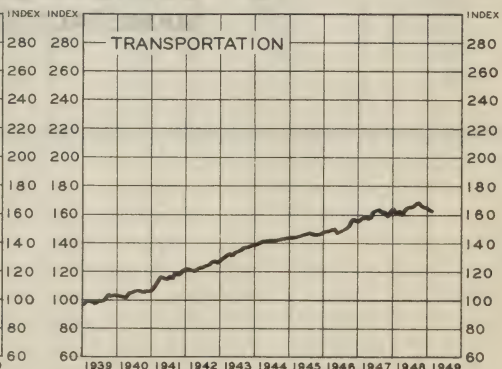
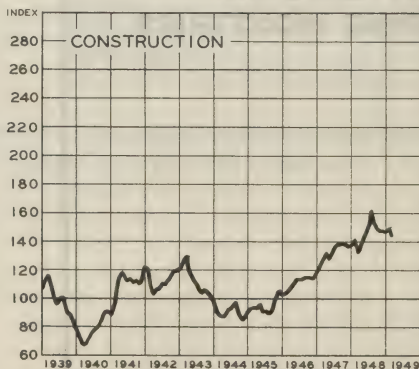
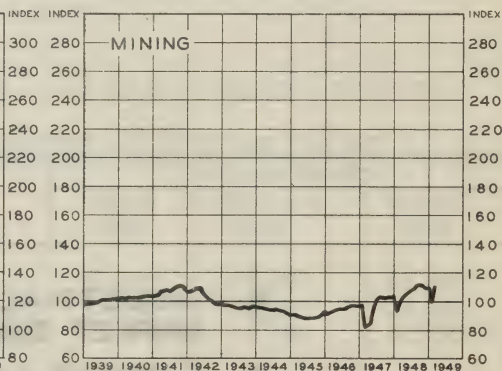
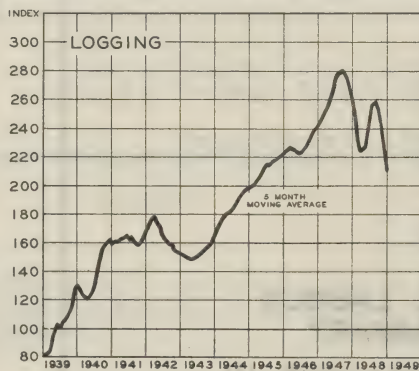
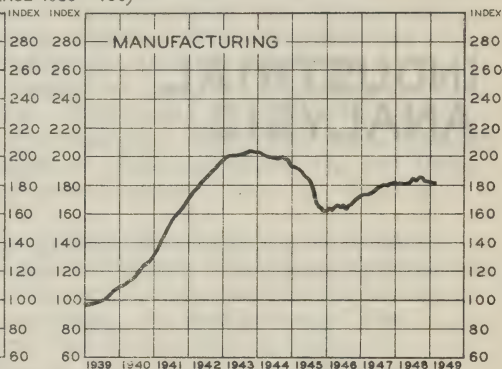
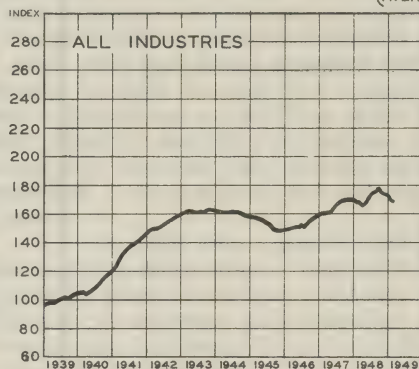
- ▲ INDUSTRIAL LABOUR  
MARKET SUMMARY
- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES

# EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE 1939 = 100)





# INDUSTRIAL LABOUR MARKET SUMMARY

With the exception of logging, all major industries shared in the seasonal improvement in the labour market during April. Increased activity in agriculture and construction drained off many unemployed. Fishing activity increased, especially in the Maritimes and Newfoundland. Job opportunities also improved in less seasonal industries such as manufacturing, mining and trade, although to a smaller extent.

## MANUFACTURING--

Estimated employment (April).....1,280,000  
Av. weekly earnings (March 1)..... \$44.32

The number of job opportunities in the manufacturing industries rose during April as the seasonal upswing in employment began. Vacancies reported to the National Employment Service at April 28 were some 2,000 in number above the figure at the first of the month, as labour requirements increased in food, lumber and textile industries.

The most notable expansion occurred in the clothing industry, where spring and fall production peaks dominate employment. Labour demand here was primarily for women workers, who constitute some 70 per cent of the work force, and for skilled labour, although some job openings were available for unskilled. Of these vacancies for women reported to National Employment Services offices at the end of April, 2,400 specified skilled workers and 400 unskilled. Applicants for this type of work outnumbered jobs in both cases with 2,600 skilled women and 1,200 unskilled registered for jobs.

In spite of the improvement in the employment situation during the month, considerable numbers of unplaced applicants remained registered with National Employment Service offices at the end of April. In metal-working occupations, for example, there were 1,400 unplaced machinists, tool makers and die setters, 1,100 machine shop workers, 1,200 structural iron and steel workers and 1,500 welders and flame cutters. In the case of electricians, many of whom would presumably accept manufacturing employment, 1,200 were unplaced. Among unskilled occupations, large numbers were found in the occupations peculiar to food and tobacco products (2,200), lumber products (3,100), pulp and paper products (1,100), and metalworking occupations (1,900). Relatively few job openings were available for all these types of work, but it must be taken into account that there is less incentive for employers than workers to register.

Wages continue to rise in most industries and, during April, several increases involving large numbers of workers were reported. Small increases, ranging from 2-5 cents per hour were granted to 2,600 iron and steel workers in Welland. Sawmill employees in various companies in Quebec,

northern Ontario and Manitoba, 1,700 in all, received 5-6 $\frac{1}{2}$  cents an hour; in the Winnipeg area, a 3 cent an hour increase was granted 600 bakery employees after a strike. On the whole, wage increases granted in April were for smaller amounts than in previous postwar years. In only one instance was the increase more than 10 cents per hour and this was the 12 $\frac{1}{2}$  cent increase given 60 striking pattern makers in Toronto foundries and machine shops.

#### MINING—

Estimated employment (April).....85,000  
Av. weekly earnings (March 1).....\$51.46

Employment in Canadian coal mines has been rising slowly since 1947 and in April was estimated at about 26,000. Productivity too has been on the increase, according to employers, as a result of better wages, incentive bonuses, greater selectivity in hiring and the policy of retiring older workers. As a result of the larger labour force and greater productivity, production has also increased. In the first two months of 1949, coal production for Canada as a whole was 25 per cent above the same period in 1948. However, it must be remembered that a strike was in progress in Western coal mines in the early part of 1948.

Mine operators report the immediate outlook for the industry as good, with markets sound. However, lay-offs were reported from both Maritimes and Western coal mines during April. Mild weather was reported as the principal cause and the condition was expected to be only temporary.

Several long-term factors are currently operating against any sizeable increase in employment, however. The shift from coal to oil as fuel, which was interrupted by the recent oil shortage, is again under way. This is a more important factor in Alberta, where the coal mines compete with local petroleum and natural gas supplies, than in mines in the other provinces. In Nova Scotia, changes in production methods, including greater mechanization, are resulting in a gradual drop in manpower requirements.

In Canadian metal mines, which have a labour force of about 45,000, employment expanded slightly during 1948. It was expected that this expansion would continue during 1949 but several factors have arisen which may alter the employment outlook. This spring, a sharp drop took place in base metal prices. Most major producers believe that this was a price adjustment and that demand remains basically strong. Early in May, however, it was reported that the International Nickel Co. would be cutting their work force by about 1,000 men, due to shortage of orders. In the industry as a whole, spring quittings, a normal occurrence among underground staffs, have cut into the supply of experienced men available. Consequently many mines have been looking for replacements. The supply of labour is generally good, although fully qualified men are sometimes difficult to find.

The employment picture in non-metallic mining was clouded by the strike in the asbestos industry in Quebec, which involved some 4,500 workers. In other sections of the industry, employment prospects appear excellent. Progress in the petroleum industry in Alberta was proceeding at a much faster rate than had been predicted.

## AGRICULTURE--

Estimated employment (April) ..... 1,025,000

Labour market activity in agriculture picked up considerably during the month of April as the 1949 season got under way. The volume of labour demand differed considerably by region, however, in accordance with varying weather conditions.

Generally, the season was more advanced in the four western provinces than in the east, and labour requirements were higher in these sections as a result. In British Columbia, spring ploughing and planting was being carried on everywhere and large numbers of men were employed as well in such other branches of the industry as nurseries, orchards and hop fields. Labour demand was reported as increasing although it was not yet heavy. Lack of work in other industries resulted in a sufficient local supply to meet most requirements. However, a shortage of experienced dairy hands was reported.

Dry weather prevailed in the Prairies during most of the month, and with the snow gone, seeding had become general. Demand for farm hands was heavy, with wages ranging from \$100.00 to \$125.00 per month. Again, local labour supplies were sufficient to meet the demand, although pockets of labour shortage were evident, notably in the Brandon area. Alberta reports indicate the season there was two weeks ahead of normal.

In most of eastern Canada, cold and wet weather had delayed ploughing but, nevertheless, many farmers were seeking additional help. Considerable interest was shown in D.P. workers, as native Canadian applicants suitable for this type of work were scarce. The one-year contract of many D.P.'s will be up about June or July and replacements will be required. Some 1,100 D.P. farm workers, including 800 sugar beet workers were during April. May of these were placed in Ontario farms.

From the Maritimes, it was reported that little farm work had started in April and requests for farm help were few.

## CONSTRUCTION--

Estimated employment(April).....248,000  
Av. weekly earnings (March 1).....\$42.17

Conflicting reports received from different areas on construction activity during April made it difficult to assess the over-all picture for that month. Generally, it appeared that, although another busy year was anticipated for the industry, work was slow in getting under way in many places. In other sections, especially in British Columbia and the Prairies where fine weather prevailed, the volume of work under way was such that a shortage of skilled men resulted.

During the month, the number of unplaced construction workers registered with the National Employment Service dropped from 42,000 to



to 29,000. In areas where the season had begun, all fully qualified men were working. At the end of the month, 17,800 skilled men and 11,600 unskilled workers were still registered for jobs. Included in the skilled group were 12,000 carpenters, 800 bricklayers and tile setters, 1,700 painters and 1,300 plumbers and steamfitters.

The variation in the employment situation by area is indicated in the following excerpts taken from reports made by local office managers of the National Employment Service.

Halifax, N.S.: "Everything points to a record season .... Contracts now let or in the planning stage will take care of all skilled tradesmen and general labourers available".

Granby, Quebec: "Orders that were expected for April were postponed until May. Very few unemployed were referred to construction work."

Sarnia, Ont.: "Construction work has not nearly reached the anticipated tempo."

New Toronto: "The demand for bricklayers, carpenters, plasterers and general construction workers exceeds the supply....."

Brandon, Man: "Good construction labour is getting difficult to locate already..... We have a number of rough carpenters registered for work but, so far, not a sufficient number of vacancies for this type of help."

Edmonton, Alta.: "While we have sent quite a number of men out on railway construction, we anticipate that the railway companies will be requiring more men for this type of work than for many years."

Regina, Sask.: "The dry, hot weather....resulted in construction opening up a month ahead of previous years."

Vancouver, B.C.: "....The construction industry throughout all parts of the region will be extremely active this year and should provide an unlimited amount of employment for those in need."

LOGGING.....

Estimated employment ..... 72,000

The employment level in Eastern Canada pulpwood logging was sustained during April as driving operations got under way. The ice was breaking up on the lakes and rivers and men were moving back into the bush for another few

weeks' work after a short holiday following the end of cutting. Sawmills, too, were entering their active season, thus relieving local unemployment. In Quebec, cold weather in the northern sections in the latter part of the month meant some river drives would be delayed until May.

Cutting for the 1949-50 season will begin by the first of June. Reports from the Maritimes and the regions at the head of Lakes indicate little summer cutting for this year, since pulp stockpiles are quite large.

After a winter of relatively heavy unemployment, when logging operations were restricted chiefly because of weather conditions, the British Columbia logging industry was returning to normal. With camps re-opening and taking on full crews, demand for workers was steadily increasing and good loggers were reported as scarce. Although the ice break-up had halted some interior operations temporarily and market conditions had forced many marginal operators out of business, on the whole, prospects appeared promising for the industry.

#### FISHERIES.....

The entry of Newfoundland as the tenth province will add considerable stature to Canada's fishing industry. (1) Newfoundland's fisheries are the island's single biggest industry, with a labour force of 28,000. Per capita production of fish in the new province is exceeded by that of only one other country, Iceland.

During 1948, landings on the Island totalled about 520 million lbs., with a value of \$29 million. This compares with the Canadian catch of 1,370 million lbs. In other words, the addition of Newfoundland's fisheries will increase Canadian production by some 40 per cent in volume. Most of the Newfoundland landings are accounted for by codfish and related products, which form some 80 per cent of the total. These products are marketed chiefly in Mediterranean countries such as Portugal, Italy and Greece and, in the Caribbean area, to such countries as Jamaica and Puerto Rico.

In all four Maritime provinces and in Newfoundland, there was increased fishing activity during April. Landings were higher in Nova Scotia than in the previous month because of better weather and improved bait supply. Lobster fishing in Newfoundland began early in April but in the rest of the east coast areas will not get under way until the first of May. Fishermen on both east and west coasts were making preparations for the busier season beginning in May.

Herring fisheries in Newfoundland this year were reported as the worst on record. Packing finished on April 23 and the packers' request for extension of the season was turned down by the Fisheries Board. Herring fishery for bait purposes will continue until May.

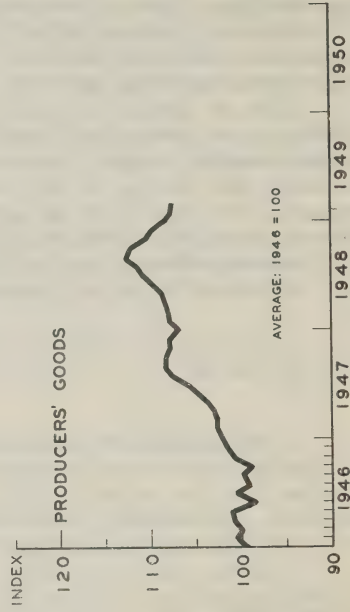
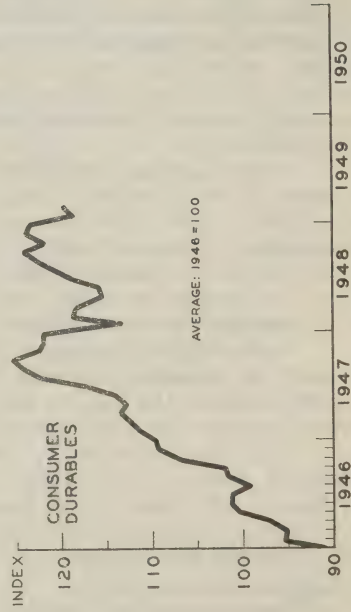
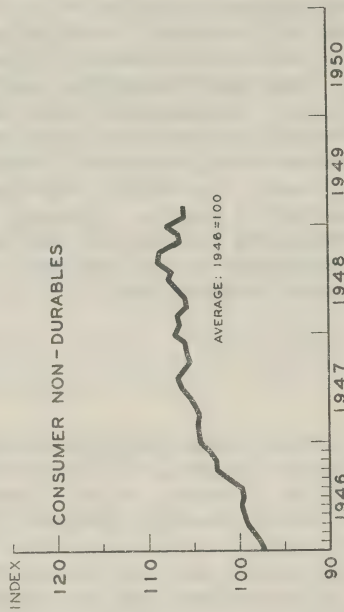
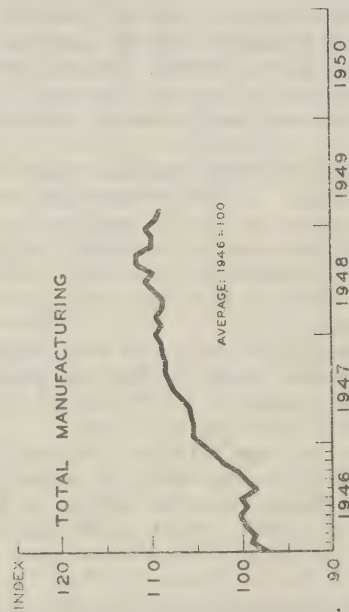
On the other hand, the revived seal fishing industry had a most successful year. New vessels, specially constructed to combat ice conditions, were used. The season extends from the middle of March to the middle of May and including all branches, about 1,000 men were employed in this year's operations.

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(1) The statistics concerning Newfoundland's fisheries are taken from the April issue of Trade News published by the Department of Fisheries, Ottawa.

# EMPLOYMENT TRENDS IN MANUFACTURING INDUSTRIES

SEASONALLY ADJUSTED





## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Excluding seasonal re-adjustments, the total number of workers affected by lay-offs during April was 3,454, an increase of 435 over the number reported in the previous month. With material supplies now almost normal, shortages of orders accounted for the largest number of lay-offs, 81 per cent in all. These, for the most part, were concentrated in textiles, transportation equipment and iron and steel manufacturing.

A total of 3454 persons were laid off in manufacturing industries for reasons other than seasonal during April, according to reports received from National Employment offices. The corresponding figure for March of this year was 2,919 and for February 2,384. Lay-offs because of shortages of orders were heavy, comprising 81 per cent of the total. Shortages of material accounted for 5 per cent of the staff reductions, business failures for 8 per cent, and other causes for 6 per cent.

Of the 2,813 lay-offs due to shortages of orders, 963 were in transportation equipment manufacturing. A large lay-off of 900 persons took place in a Quebec shipyard early in April, with prospects for re-hiring poor. Lay-offs in the iron and steel manufacturing industry during April totalled 593, of which 568 were caused by shortages of orders.

The primary textile industry was hard hit during the month with 821 persons laid off, 600 of these because of lack of orders. These cut backs were chiefly in plants manufacturing rayon and cotton goods which are temporarily facing severe competition from American industry. In May, 1948 the Canadian tariffs on rayon and cotton piece goods imported from the United Kingdom were suspended. In accordance with commitments in the Geneva Trade Agreements duties were proportionately lowered on similar American imports, but a quota had been imposed under the Emergency Exchange Conservation Act. On April 1, 1949, a 25 per cent increase in this quota gave Canadian buyers an opportunity to purchase more low-priced American goods, before the duties on American and United Kingdom goods are re-imposed on July 1.

The material supply situation seemed to have improved during April, with only 155 persons released from their jobs because of lack of materials. Shortages of iron and steel were responsible for 75 persons being laid-off temporarily and shortages of wool for 80.

Staff cut-backs because of business failures amounted to 266 during April, compared with 32 in March and 129 in February.

Of the 220 persons laid off for other causes, 145 were released because the plants in which they worked were moved to another locality. The remaining 75 were employees of a sawmill which was destroyed by fire.

Table I—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause

| Cause of Lay-off          | April, 1949 |          | March, 1949 |          | February, 1949 |          |
|---------------------------|-------------|----------|-------------|----------|----------------|----------|
|                           | Number      | Per Cent | Number      | Per Cent | Number         | Per Cent |
| Shortage of orders.....   | 2,813       | 81.4     | 1,797       | 61.6     | 1,691          | 70.9     |
| Shortage of material..... | 155         | 4.5      | 438         | 15.0     | 286            | 12.0     |
| Business failures.....    | 266         | 7.7      | 32          | 1.1      | 129            | 5.4      |
| Other.....                | 220         | 6.4      | 652         | 22.3     | 278            | 11.7     |
| Total.....                | 3,454       | 100.0    | 2,919       | 100.0    | 2,384          | 100.0    |

Table II—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry

| Industry                              | April, 1949 |          | March, 1949 |          | February, 1949 |          |
|---------------------------------------|-------------|----------|-------------|----------|----------------|----------|
|                                       | Number      | Per Cent | Number      | Per Cent | Number         | Per Cent |
| Food and Beverages.....               | 40          | 1.2      | 190         | 6.5      | 194            | 8.1      |
| Tobacco Products.....                 | -           | -        | -           | -        | -              | -        |
| Rubber Products.....                  | 100         | 2.9      | 92          | 3.2      | 160            | 6.7      |
| Leather Products.....                 | 36          | 1.1      | -           | -        | 54             | 2.2      |
| Textile Products.....                 | 821         | 23.8     | 220         | 7.5      | 95             | 4.0      |
| Clothing.....                         | 46          | 1.3      | 136         | 4.7      | 101            | 4.2      |
| Wood Products.....                    | 271         | 7.9      | 794         | 27.2     | 536            | 22.5     |
| Paper Products.....                   | 267         | 7.7      | 328         | 11.2     | 80             | 3.4      |
| Printing and Publishing..             | 111         | 3.2      | -           | -        | -              | -        |
| Iron and Steel Products..             | 593         | 17.1     | 519         | 17.8     | 345            | 14.5     |
| Transportation Equipment.             | 1,013       | 29.3     | 510         | 17.4     | 86             | 3.6      |
| Non-Ferrous Metals.....               | 57          | 1.7      | 35          | 1.2      | 55             | 2.3      |
| Electrical Apparatus.....             | 14          | 0.4      | -           | -        | 42             | 1.8      |
| Non-Metallic Mineral<br>Products..... | -           | -        | 83          | 2.9      | 355            | 14.9     |
| Chemical Products.....                | 70          | 2.0      | -           | -        | 190            | 8.0      |
| Miscellaneous.....                    | 15          | 0.4      | 12          | 0.4      | 91             | 3.8      |
| Total.....                            | 3,454       | 100.0    | 2,919       | 100.0    | 2,384          | 100.0    |

# REGIONAL ANALYSIS

- ▲ REGIONAL LABOUR MARKET  
SUMMARY
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ PLANT EXPANSION IN  
FIRST QUARTER, 1949

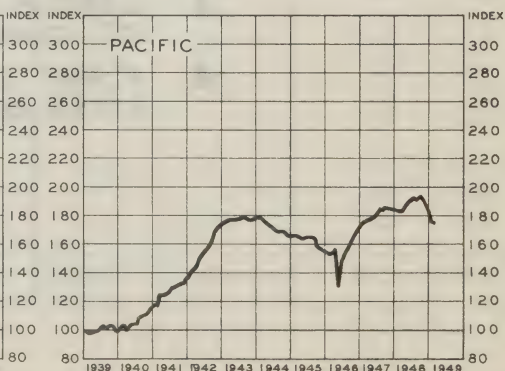
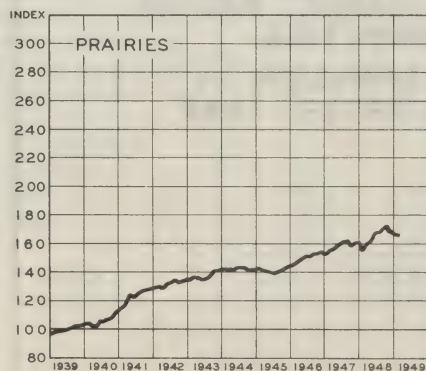
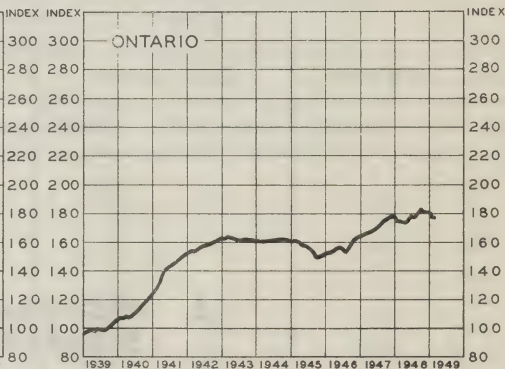
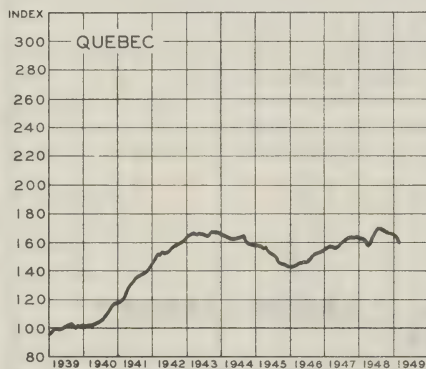
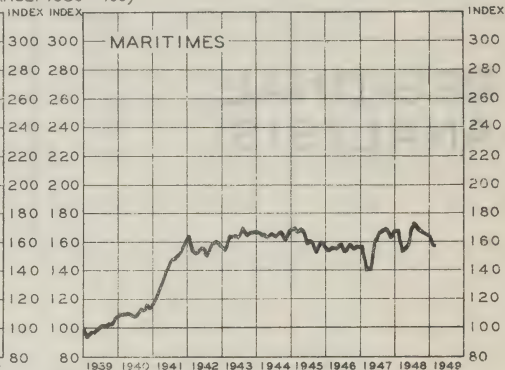
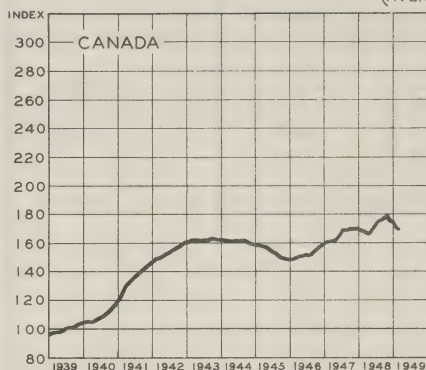


# REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE: 1939 = 100)



## REGIONAL LABOUR MARKET SUMMARY

Seasonal influences boosted employment in all regions, and marked declines in the labour surplus were recorded. The Prairies, British Columbia and Quebec, where primary industries weight the economy, especially were affected by the seasonal upswing. Expansion was not as great in the Maritimes, where the active season starts a little later, and in Ontario, where construction activity was slow and manufacturing expansion slight.

### THE MARITIMES —

Spring employment expansion was under way during April and the number of unplaced workers registered at Employment Offices declined steadily. Fishing and construction were active, but the agricultural season had not yet opened. An early start for agriculture was expected in May, however.

The logging season ended with the completion of river driving. Sawmills were due to open as soon as spring freshets subsided. Pulp cutting operations planned for the summer were not extensive, because of market conditions.

Fishing was employing several thousand men, with herring fishing the main activity during April. The lobster season opened in Newfoundland, and was scheduled to start in May throughout the rest of the region. The sealing industry has been revived again in Newfoundland after a lapse during the war years, and was employing about 1,000 men; the season has been most successful according to latest reports.

The coal mining situation grew more serious, as the shortage of orders for coal continued despite vigorous sales effort. The effect on employment has been sharp and part-time mining operations have cut the income of the workers still employed. Small bootleg mines in a few areas were discovered and closed by the RCMP during the month.

Transportation activity increased in Newfoundland and northern Nova Scotia ports. Halifax reported April as the best month of the season for waterfront employment, although a sharp curtailment in activity occurred near the end of the month as traffic shifted to the Port of Montreal. However, requirements for unskilled workers were increasing in construction, and this will probably absorb the greater part of the displaced waterfront workers. The Canadian Seamen's Union strike was still in progress; most shipowners were negotiating with the Seafarers' International Union. At Saint John, waterfront employment was rapidly falling to the summer level.

Halifax—Shipyards employment was at a high level for peacetime. A record season for the construction industry was indicated.

Moncton—Much construction work was being planned but no contracts were yet definitely scheduled. Railroad employment slumped during the month.





Asbestos—The strike involving 5,000 workers in the asbestos industry, which began in February, continued and the situation was growing more explosive. Business in general throughout the district was seriously affected.

#### ONTARIO —

Employment conditions during April reflected the buoyancy of seasonal influences. Growing activity in construction, the return of farm workers to the land, and the re-opening of navigation caused a steady decline in the labour surplus. Seasonal expansion in manufacturing, plus the more plentiful supply of steel, also stimulated labour demand.

In manufacturing, prospects were quite favourable. Labour turn-over has been at a low level with workers showing an obvious desire to remain in their present jobs and becoming more and more interested in long-term employment. Although some industries this year have been forced into temporary reductions in hours of work, this is a normal condition in the adjustment of supply to demand, and does not indicate any serious over-production or a decline in the level of employment. On the contrary, employment is above the 1948 level and further expansion is indicated.

Meat-packing plants and flour mills were again active after a lull of several months. The chemical, rubber and radio industries were expanding operations and employment. Conditions in heavy manufacturing were spotty: some industries, such as machinery and automobiles, were working at capacity; others, such as agricultural and lumbering equipment firms, were cutting production hours to match a seasonal slackening in demand.

Production in woollen mills slackened slightly, partly because of the increased price of raw materials. Clothing firms were in steady operation, but manufacturers stated that retail buyers are becoming extremely discriminating with consumer sales resistance increasing.

Agricultural activity was on the upswing and labour demand was firm and growing. In some areas the supply of local labour was already exhausted, and transfers of D.P. workers from northern logging districts eased the situation.

Another big year for construction was indicated, but the season was slow in starting. Skilled tradesmen were being absorbed steadily, but demand for labourers was slow. Since construction work now is on a competitive basis, in contrast to the cost-plus basis of recent years, contractors are trying to reduce labour and other costs as far as possible.

Sault Ste. Marie—Sensational new pitchblende deposits were discovered to the north of this city, and camp building operations had been started already at the site.

#### THE PRAIRIES —

With hot and dry weather during April, spring employment activity rapidly accelerated. The labour surplus was declining sharply and scarcities of certain types of workers developed in several areas.

Seeding for the 1949 grain crop was going ahead faster than for many years. There has been a steady demand for workers, which in some areas well exceeds the supply. Men with power farming experience particularly were in demand. Transient farm hands, and workers returning from logging camps, added to the supply of local labour. The very dry weather has created a serious problem concerning the imminent grasshopper infestation and control campaigns were being organized by the provincial governments.

General construction activity opened up about a month ahead of previous years, since contractors were able to carry out excavation work without interruption from rain. Shortages of good construction workers were already reported from some areas and full employment in this industry is again indicated for the season. By summer, an acute scarcity of skilled tradesmen is expected if material is available for the projects scheduled. Construction work on industrial buildings has speeded up and many completions are scheduled for the summer, which will boost manufacturing employment.

In logging areas, preparations for the spring drive were completed. Operations were planned for early May, when the winter's cut would be floated to sawmills and pulp mills. There will be practically no pulpwood cutting in the coming summer, since stocks of pulpwood have reached an all-time high, and the outlook for wholesale and retail markets is somewhat doubtful.

Estevan—Coal mining was approaching its slack season; during last winter's strike a considerable part of the market was lost to oil and at this time the loss of orders is noticeable.

Fort William—Navigation opened early in April, stimulating general employment in the area.

## THE PACIFIC —

The employment situation has been improving rapidly, and the expansion of industrial activity during April cut the labour surplus by 25 per cent. Construction, mining and logging absorbed the majority of workers, and a large number also entered the fishing industry. Fairly heavy dispersals of men to outside points occurred as seasonal activity increased in the primary industries. There was already a shortage of logging skills and the construction tradesmen will soon be in short supply.

Logging camps were returning to full operation as the weather permitted, and labour demand was growing rapidly. Negotiations for wage increases and improved working conditions were planned and demands will be registered for a 15 cent an hour increase, union shop, welfare fund contributions, travel expenses and a reduction in board rates. Overlapping of the majority membership claims of the two rival woodworkers' unions will shortly be settled by the Labour Relations Board with a supervised vote in 35 camps to establish the rightful bargaining agency.

Sawmills were again in operation and facing a period of full production as log inventories increase. Labour needs were light except for key skills; if skilled men were available, additional shifts could be arranged which would further absorb unskilled labour. The shingle

industry was fairly active; while the demand for high grade shingles is fairly steady, second grades are glutting all storage facilities and the market for them is poor.

Pulp and paper plants continued to operate at capacity. Negotiations between the six major companies and their 5,000 employees bogged down for the first time in 12 years, and the unions involved applied for a conciliator. Employers wanted a 6 cent reduction in basic rates, to bring about national uniformity of wages throughout the industry; unions were seeking a 15 cent an hour increase and improved working conditions.

This year is expected to be one of the cycle periods in the salmon run and an above-average catch, estimated at about  $1\frac{1}{2}$  million cases, should be forthcoming. There were still about 200 thousand cases stockpiled from last year and some uneasiness was felt over the lack of immediate markets, especially in view of the heavy run expected. However, the recent trade agreement with the U.K. will relieve this situation. Some 1,500 men were engaged in halibut fishing during April, and salmon fishing will get under way soon.

The base metal mining and smelting industry was operating at a high level, with plans underway for still further expansion.

An allocation of \$900,000 has been provided for the second phase of survey work in connection with the proposed aluminum plant site, and this substantial expenditure seems to assure the establishment of this industry in British Columbia.

Construction activity was increasing, and a heavy volume of work is scheduled for the coming months.

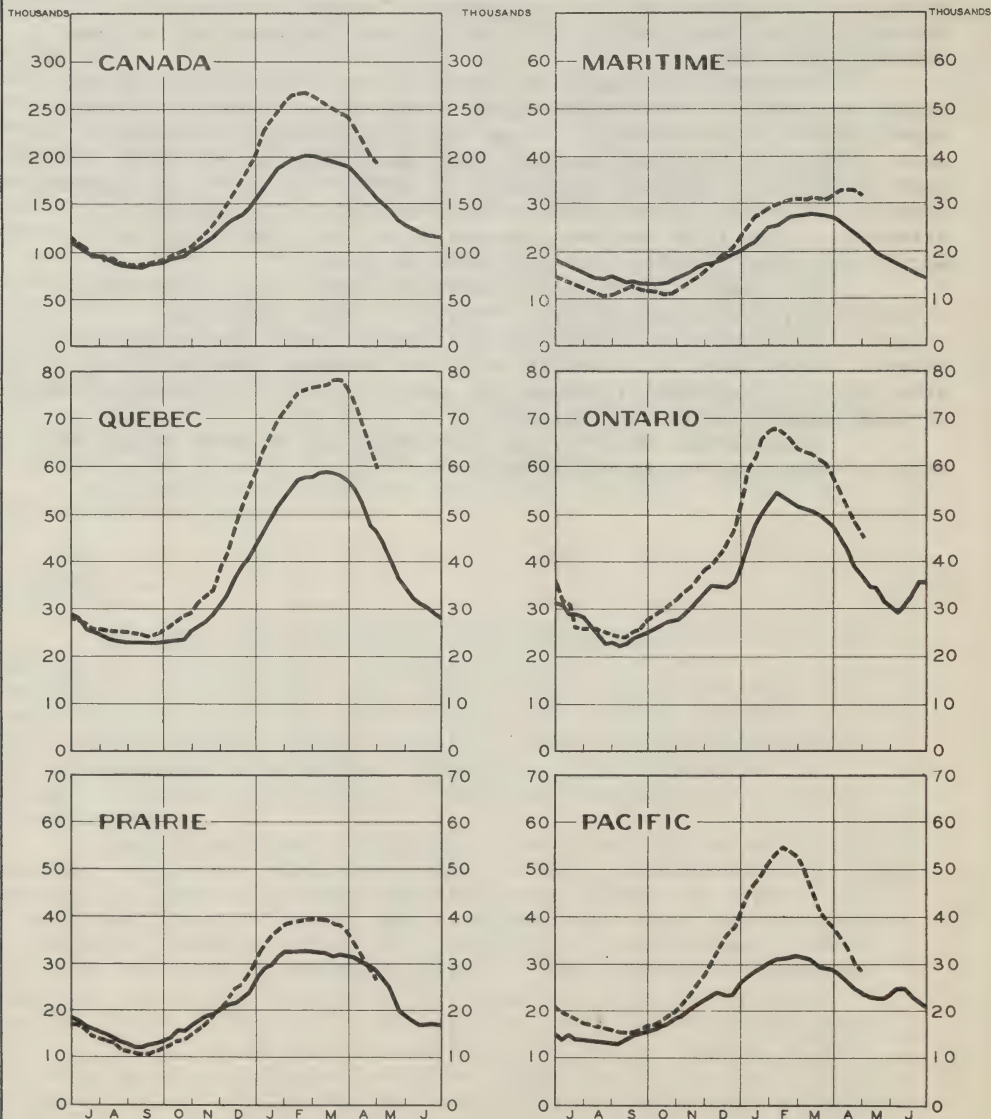


# UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

— JULY 1947 - JULY 1948  
 - - - JULY 1948 TO DATE



## LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at May 1, 1949, at April 1, 1949, and at May 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service offices. The ratings for April and May of 1949 are preliminary.

LABOUR MARKET RATING-OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>May 1,<br>1949 | Group Rating   |                  |                |
|----------------------------------------|-------------------------|----------------|------------------|----------------|
|                                        |                         | May 1,<br>1949 | April 1,<br>1949 | May 1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                         |                |                  |                |
| Quebec.....                            | 137                     | III            | II               | III            |
| Vancouver.....                         | 100                     | III            | III              | III            |
| Winnipeg.....                          | 70                      | III            | III              | III            |
| Windsor.....                           | 65                      | III            | III              | III            |
| Victoria.....                          | 51                      | III            | III              | IV             |
| Ottawa.....                            | 47                      | IV             | III              | III            |
| Calgary.....                           | 45                      | IV             | III              | III            |
| Edmonton.....                          | 38                      | IV             | IV               | IV             |
| Montreal.....                          | 37                      | IV             | IV               | IV             |
| Hamilton.....                          | 30                      | IV             | IV               | IV             |
| Toronto.....                           | 28                      | IV             | IV               | IV             |
| <u>Population of 50,000 to 100,000</u> |                         |                |                  |                |
| Sydney.....                            | 217                     | II             | II               | II             |
| Fort William - Port Arthur.....        | 124                     | III            | II               | III            |
| Saint John.....                        | 112                     | III            | III              | III            |
| Halifax.....                           | 86                      | III            | III              | III            |
| Regina.....                            | 29                      | IV             | III              | III            |
| London.....                            | 28                      | IV             | IV               | IV             |
| Kitchener - Waterloo.....              | 13                      | IV             | IV               | IV             |
| <u>Population of 25,000 to 50,000</u>  |                         |                |                  |                |
| Chicoutimi.....                        | 253                     | II             | II               | III            |
| Hull.....                              | 179                     | II             | II               | II             |
| Shawinigan Falls.....                  | 146                     | III            | II               | III            |
| Sherbrooke.....                        | 108                     | III            | III              | IV             |
| Three Rivers.....                      | 89                      | III            | III              | III            |
| Oshawa.....                            | 84                      | III            | III              | III            |
| Kingston.....                          | 49                      | IV             | III              | IV             |
| St. Catharines.....                    | 48                      | IV             | III              | IV             |
| Brantford.....                         | 47                      | IV             | IV               | IV             |
| Saskatoon.....                         | 45                      | IV             | III              | III            |
| Peterborough.....                      | 38                      | IV             | IV               | IV             |
| Sault Ste. Marie.....                  | 28                      | IV             | IV               | IV             |
| Sudbury.....                           | 24                      | IV             | IV               | IV             |
| <u>Population of under 25,000</u>      |                         |                |                  |                |
| Sorel.....                             | 259                     | II             | I                | III            |
| Pictou- New Glasgow.....               | 218                     | II             | II               | II             |
| Amherst.....                           | 147                     | III            | III              | II             |
| Valleyfield.....                       | 141                     | III            | II               | II             |
| Welland.....                           | 96                      | III            | III              | IV             |
| Trail.....                             | 35                      | IV             | IV               | IV             |
| Niagara Falls.....                     | 33                      | IV             | IV               | IV             |



## PLANT EXPANSION IN FIRST QUARTER, 1949

The value of industrial contracts awarded in the first quarter of 1949 amounted to \$52 million, compared to \$11 million in the same period of 1948. Eighty per cent of this value, however, may be accounted for by four large projects, which will not be completed this year. The remaining \$10 million investment represents a number of smaller projects which should be completed during 1949.

For the first quarter of 1949, some 2,000 new job openings resulting from industrial expansion have been confirmed by the Department of Labour. These were fewer than at the same time last year, largely because of the reduced carry-over of industrial construction from the previous year. Moreover, for the remainder of 1949, reliable estimates point to a continuing, but slight, decline in jobs resulting from industrial expansion.

Nevertheless, a record high was reached in the value of industrial contracts awarded in the first quarter of 1949 when \$52 million worth of industrial construction got under way. This capital investment represents a \$41 million gain over first quarter of 1948, which can be accounted for mainly by four large projects being undertaken in the petroleum and mining industries.

These four projects account for no less than 80 per cent of the value of contracts awarded in the first quarter of 1949. A new Shell Oil Co. refinery at Montreal will cost \$15 million; an Imperial Oil Co. gas absorption plant at Leduc - \$6 million; an oil refinery and dock at Sorel for the Quebec Iron and Titanium Corporation - \$15; and a new ore refinery for the Hudson Bay Mining and Smelting Co. at Flin Flon - \$6 million.

No new jobs will result from these large industrial projects in the current year, however, since construction work will not be completed. Of total capital investment for industrial expansion in the first quarter of this year, only about \$10 million for smaller projects will result in new jobs in 1949.

Where such industrial expansion is reported to the Department of Labour, every effort is made to ascertain the number of new jobs which will result when operations get under way. The following table contains information which has been verified by direct contact with the companies concerned.

INDUSTRIAL EXPANSION AND NEW JOBS

| Area                | Industry and Name of Company                                | Type of Expansion(1) | Number of New Employees | Probable Time of Commencement of Production |
|---------------------|-------------------------------------------------------------|----------------------|-------------------------|---------------------------------------------|
| St. Johns, Nfld.    | Food and Beverages<br>Purity Factories Ltd.                 | N.P.                 | 40                      | 2nd Qtr./49                                 |
| Montreal, P.Q.      | Iron and Steel Products<br>Dominion Engineering Ltd.        | P.E.                 | 100                     | 2nd Qtr./49                                 |
| Montreal, P.Q.      | Chemicals<br>L'Air Liquide Society                          | P.E.                 | 20                      | 2nd Qtr./49                                 |
| Kemptville, Ont.    | Food and Beverages<br>The Borden Co. Ltd.                   | N.P.                 | 5                       | 2nd Qtr./49                                 |
| Brantford, Ont.     | Non-Metallic Mineral Prod.<br>Canadian Durex Abrasives Ltd. | P.E.                 | 150                     | 2nd Qtr./49                                 |
| Niagara Falls, Ont. | Non-Metallic Mineral Prod.<br>Lionite Abrasive Co.          | P.E.                 | 100                     | 2nd Qtr./49                                 |
| Sudbury, Ont.       | Food and Beverages<br>Sudbury Brewing & Malting Co. Ltd.    | P.E.                 | 3                       | 2nd Qtr./49                                 |
| Tillsonburg, Ont.   | Wood Products<br>Livingston Wood Products Ltd.              | P.E's                | 50                      | 2nd Qtr./49                                 |
| Toronto, Ont.       | Electrical Apparatus<br>S.A. Armstrong Ltd.                 | N.P.                 | 25                      | 2nd Qtr./49                                 |
| Toronto, Ont.       | Chemicals<br>Sharpe & Dohme (Canada) Ltd.                   | N.P.                 | 12                      | 2nd Qtr./49                                 |
| Whitby, Ont.        | Chemicals<br>Woodhall Mines Ltd.                            | N.P.                 | 6                       | 2nd Qtr./49                                 |
| Dauphin, Man.       | Food and Beverages<br>Adanac Fish Products Ltd.             | N.P.                 | 20                      | 2nd Qtr./49                                 |

(1) N.P. - New Plant; P.E. - Plant Expansion; P.F. - Present Facilities  
(rental or purchase of new quarters)







# AN ADI AN LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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UNIVERSITY OF TORONTO  
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BAROMETRICS

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FEATURE ARTICLE.....Government  
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Unemployment Among  
Older Workers,  
1945-49.

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CANADIAN LABOUR MARKET  
Research and statistics branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

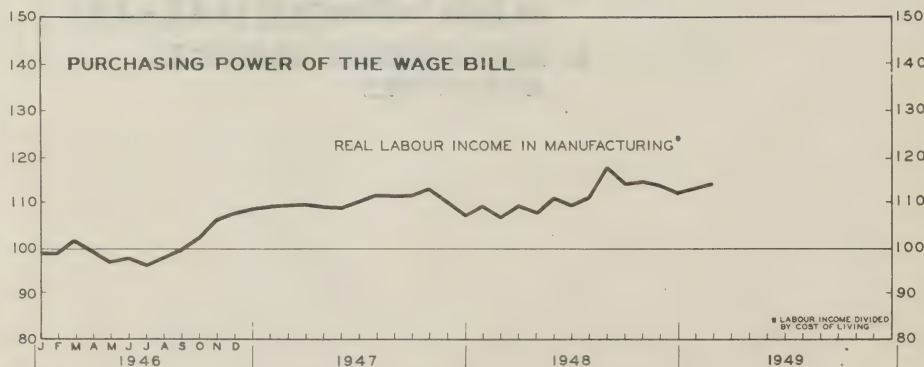
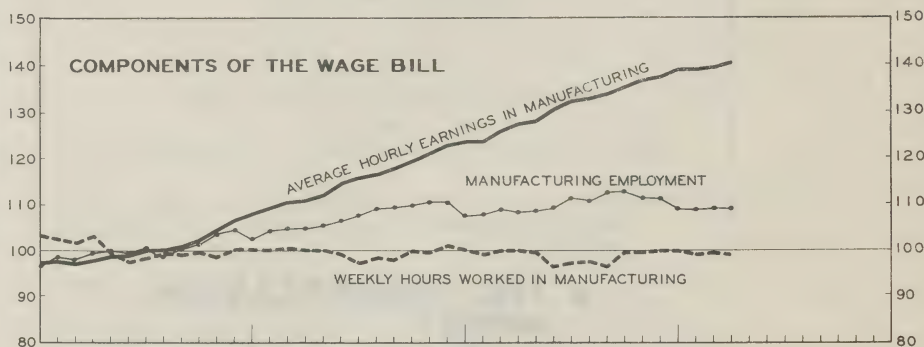
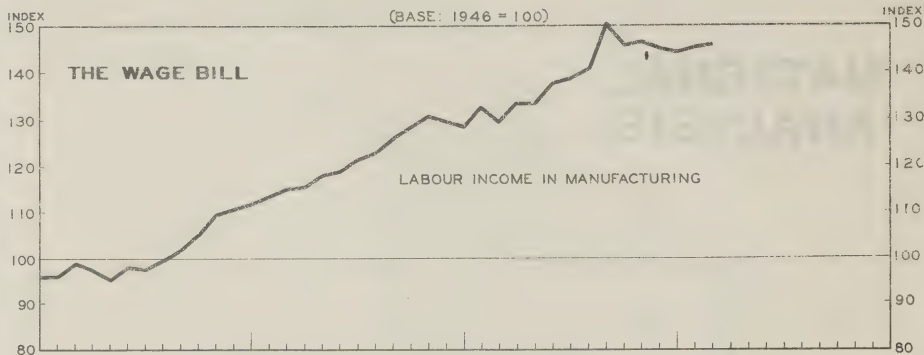
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

# NATIONAL ANALYSIS.....

- ▲ THE CURRENT LABOUR  
MARKET
- ▲ UNEMPLOYMENT AMONG  
OLDER WORKERS, 1945 - 49
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES



# THE MANUFACTURING WAGE BILL AND ITS COMPONENTS



## THE CURRENT LABOUR MARKET

During May and early June, unemployment in Canada continued to diminish as farming, construction, lake transportation, and the tourist business got underway. Farm labour needs reached a temporary peak during the month as seeding operations were rushed to completion. Construction activity was widespread in most areas during May and provided employment for many workers. In a few sections of the country, however, and particularly in the Maritime provinces and Quebec, lay-offs from coal mines, shipyards, textile plants and foundries more than offset the increase in seasonal activities.

During May and early June, employment conditions in Canada continued to improve. The expansion of seasonal activities more than offset the drop in production and employment in industries where output had reached or exceeded current requirements. This contrasts sharply with the situation in the United States where unemployment rose by 270,000 during the month ending on May 8. In Canada, ordinary unemployment insurance claims fell from their peak of 208,800 at the first of March to 95,800 at the beginning of June. Unplaced applicants registered at National Employment Service offices dropped steadily during the first two weeks of June.

Lay-offs, however, affected employment in some areas, despite greater seasonal activity. This was particularly true in the Maritime provinces and in Quebec. It was also evident in certain sections of Ontario, although the lay-offs there were of a temporary nature.

In the Maritime region, unfavourable employment trends were evident in almost all of Newfoundland, in Halifax, and in Saint John, Minto, St. Stephen and Sussex. The employment situation in Halifax became more serious during May as a result of further lay-offs from the shipyards. At Saint John, ocean transportation was very slack and many longshoremen were out of work. Lay-offs also occurred in the brewery industry as a result of a general decline in spending in the area. In Minto, a significant cut-back in forestry operations occurred during the month, resulting in a surplus of unskilled labour. In addition, working hours were cut in the mines. Fish packing plants at St. Stephen were working short-time due to the small catch. Reductions in

staff occurred at a number of other firms in this area. At Sussex, there was a surplus of farm workers.

In Quebec, lay-offs occurred during May in the textile, clothing, furniture, rubber and foundry industries. These developments affected the employment situation in Drummondville, Granby and Montmagny to the greatest extent.

In Ontario, lay-offs in similar industries took place in some centres during May. Textile and foundry companies in Galt were working on a short-time basis; at Goderich, flour milling employment declined due to the loss of export markets. A strike in the United States also affected employment at a machinery company in this area. There was evidence of some slackening in industrial employment in Hamilton during May. In addition, several strikes were in progress in this area. Textile mills and foundries were slack at Owen Sound. At St. Catharines, manufacturing employment has levelled off, while construction work was held back during May by a dispute between carpenters and builders. Lay-offs occurred at furniture plants in Stratford and at a large base metal company in Sudbury. In Windsor, temporary unemployment resulted from the Ford strike in the United States.

In the Prairie provinces, and in British Columbia, labour market developments during May were generally favourable. Farming, construction, logging and the tourist trade all offered increased employment opportunities. Shortages of the more skilled type of seasonal worker, such as construction tradesmen and skilled loggers, were occurring.

Total labour income in Canada during the first quarter of 1949 has been about 11 per cent higher than for the same period last year. In manufacturing, the total wage bill has increased by 12 per cent, almost entirely due to higher hourly earnings, which rose by 11.4 per cent. Average weekly hours worked, showed no change and employment was only .5 per cent greater. With an increase in the cost-of-living of about 6 per cent, the total purchasing power of manufacturing workers during the first three months of 1949 was noticeably higher than in the first quarter of 1948.

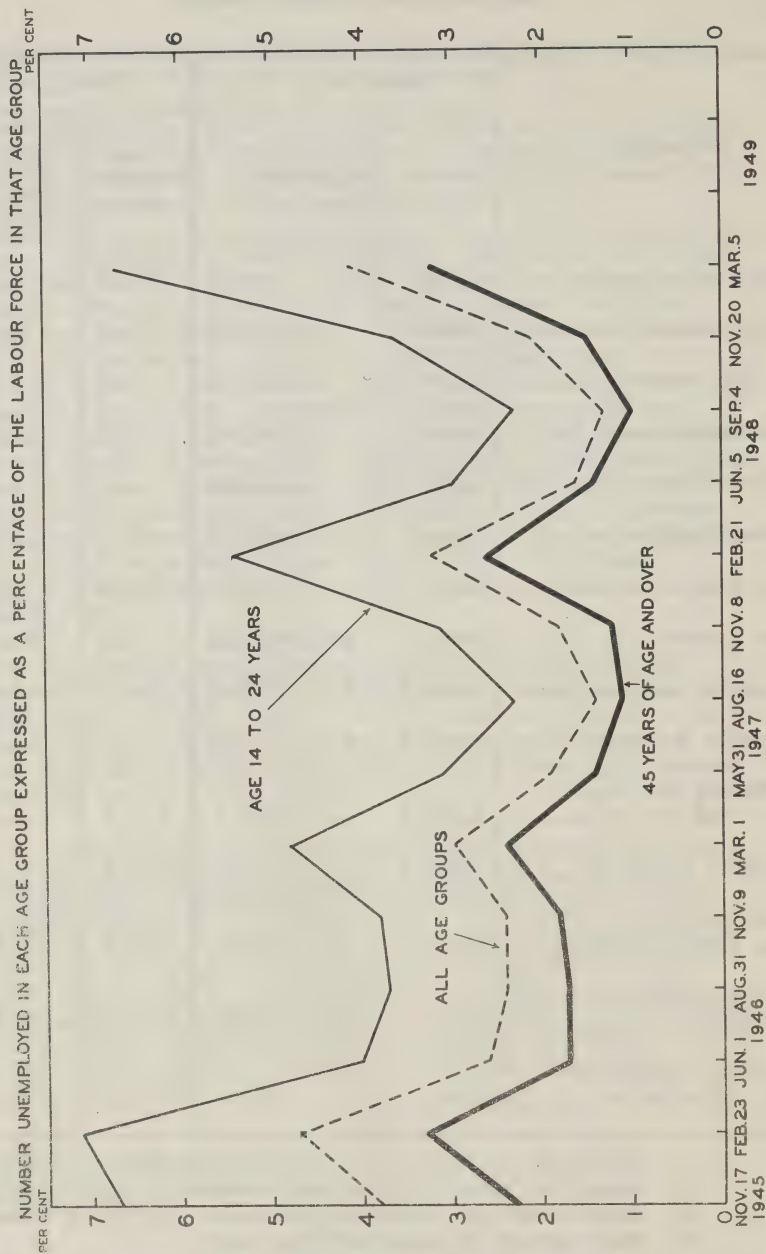


SELECTED LABOUR MARKET TRENDS

| Indicator                                     | Latest Data |               | Percentage Change   |                           |                                              |
|-----------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                               | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration.....                              | April       | 9,000         | - 0.8               | - 3.5                     | - 0.4                                        |
| Civilian Labour Force (a)                     | March       | 4,899,000     | - 1.3               | + 1.5                     | + 1.5                                        |
| Total Employment (a).....                     | March       | 4,700,000     | - 3.3               | + 0.7                     | + 0.7                                        |
| Total Unemployment (a)...                     | March       | 199,000       | + 87.7              | + 27.6                    | + 27.6                                       |
| Industrial Employment (b)                     | April 1     | 2,042,000     | - 0.6               | + 1.4                     | + 1.6                                        |
| Unplaced Applicants (c)...                    | June 1      | 155,000       | - 22.4              | + 18.3                    | + 28.1                                       |
| Live Claims.....                              | May 1       | 134,000       | - 27.6              | + 27.5                    | + 42.0                                       |
| Labour Income.....                            | March       | \$605,000,000 | 0.0                 | + 11.2                    | + 11.0                                       |
| Av. Weekly Earnings (d)...                    | April 1     | \$ 42.08      | + 0.3               | + 9.4                     | + 11.1                                       |
| Av. Hourly Earnings (d)...                    | April 1     | \$ .98        | + 0.5               | + 10.2                    | + 11.4                                       |
| Real Weekly Earnings<br>Av. 1946-100 (e)..... | April 1     | 107.9         | + 0.1               | + 4.1                     | + 4.7                                        |
| Av. Weekly Hours (d).....                     | April 1     | 42.9          | - 0.2               | - 0.7                     | - 0.2                                        |
| Cost of Living<br>Av. 1935-39-100.....        | May 1       | 159.5         | + 0.2               | + 4.0                     | + 5.7                                        |
| Man Working Days Lost by<br>Strikes.....      | May         | 174 000       | + 24.8              | + 338.1                   | + 25.2                                       |
| Industrial Production<br>Av. 1935-39-100..... | April       | 187.2         | + 0.9               | + 1.4                     | + 0.7                                        |

- (a) Estimated on basis of a one per cent sample of the population.
- (b) Based on firms of 15 or more workers in nine leading industries.
- (c) Registered with National Employment Service Offices.
- (d) Wage earners in manufacturing only.
- (e) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.

# PERCENTAGE UNEMPLOYED IN SELECTED AGE GROUPS



## UNEMPLOYMENT AMONG OLDER WORKERS, 1945 - 49

Unemployment among older workers in the postwar period has not been serious in numerical terms. There was a slight increase in unemployment in the over 45 age group during the reconversion period, reaching a high of 48,000 in February, 1946. In the boom years 1947 and 1948, the number out of work was near the minimum possible, averaging about 25,000. By the winter of 1949, however, with the general increase in unemployment, the total number of older workers returned to 47,000, near the 1946 level.

### I. Introduction.

The difficulties encountered by unemployed older workers in their search for jobs was one of the more serious employment problems in Canada before World War II. During the past decade, this problem has been obscured by the general shortages of labour. It can be expected to re-appear, however, as more normal employment conditions return. In fact, it is a problem which may grow increasingly serious in the future as a larger and larger proportion of the Canadian labour force becomes composed of workers more than 45 years of age.

It was about 40 years ago that public recognition was first given to the special employment problems of older workers. By that time, life expectancy had increased and, since employers showed a preference for younger workers, older persons were being displaced. As a result, more and more people began to spend their later years in conditions of poverty and misery.

A movement for reform and improvement in institutions for the aged and for old age pensions was one of the earliest expressions of public concern with this problem. The movement reached its peak in the first quarter of this century and, in Canada, resulted in the establishment of a system of old age pensions in 1927.

But the provision of this minimum of financial security did not solve the problem. The benefits were confined to the very old, those over 70. This did nothing to help the men or women between 45 and 70 who found it difficult to secure alternative employment when they lost their jobs through no fault of their own.



In the depression of the Thirties, the problem became much more serious and widespread. Hundreds of thousands of workers in Canada lost their jobs and their self-respect. Studies made in the United States, where conditions were similar to those in Canada, showed that the incidence of unemployment bore most heavily on the younger and the older worker. Many of these despaired of ever being gainfully employed again.

With World War II, a new stage in the history of the older worker began. With nearly a million men drained off into the Armed Services and with industry continually striving to increase production, Canada's surplus pool of labour was soon depleted. All employable persons were able to find work, although the older person was often the last to be hired. Unemployment was reduced to a minimum.

After the war, with reconversion and the return to the labour market of thousands of ex-servicemen, it was thought that many older workers would be pushed out of their jobs. This did not happen on a large scale, however, although a considerable number were forced to accept lower paid and less attractive work.

In the prosperous postwar years, there was a seemingly insatiable demand for goods of all types. Production, prices, and wages all rose steadily. The demand for labour was also strong, with unemployment correspondingly light. The older worker, along with workers in all other age groups, benefited from this period of prosperity.

Consequently, the number of unemployed in Canada over the age of 45, in the three-year period from 1946 to 1948, was never very large. The annual averages for each of these years were as follows: 1946-31,000; 1947-22,000; and 1948-25,000. In other words, about 2 per cent of the approximately 1,500,000 workers in Canada over the age of 45 were unemployed in the post-war period. This rate of unemployment is not generally considered serious from the point of view of the economy as a whole.

During the winter of 1949, however, unemployment was somewhat worse than it had been in either of the previous two years. Total unemployment reached 200,000, its highest point since the winter of 1946. Unemployment among those over 45 rose to 47,000 about the same as its level in 1946. This increase was not any larger, however, in relation to the labour force, than that which occurred in any other age group.

## II. Unemployment and Employability.

More than any other age group, older workers tend to fall into two extremes as regards economic security. On the one hand, a large number achieve job security or financial independence by middle age. A much higher proportion of own-account workers or proprietors are to be found among the more mature; others may attain a position of responsibility, or build up a certain amount of personal wealth, either of which act as a buffer against the possibility of extended unemployment. In the case of the wage-earner, seniority may protect him against lay-offs. Among these groups, who have attained some measure of financial or job security, the rate of unemployment is low.

On the other hand, there is an equally large group who have no special skills and who have been unable to achieve a position of economic security. In youth, lack of job qualifications is a handicap when unemployed but not an insuperable one. As a person grows older, the problem of finding re-employment when out of work becomes increasingly difficult. The unskilled man, whose employability is further lowered by the physical and mental handicaps associated with aging, is at a marked disadvantage. It is amongst this group that unemployment is most prevalent.

An analysis of those who are over 45 who have registered with the National Employment Service as unplaced applicants bears out this point. Over one-half of the total are classified as "unskilled" or "service" workers. About one-third are registered as having some sort of a skilled trade or special qualifications. In short, it is the less qualified who are thrown out of work first.

Grouping these applicants into broad occupational groups, the following percentage distribution is shown, as at the first of January from 1947 to 1949:

| Occupational Group             | January<br>1947. | January<br>1948. | January<br>1949. |
|--------------------------------|------------------|------------------|------------------|
|                                | %                | %                | %                |
| Unskilled.....                 | 40.8             | 36.0             | 33.2             |
| Skilled and semi-skilled.....  | 29.8             | 37.7             | 33.4             |
| Service.....                   | 15.3             | 16.7             | 20.7             |
| Clerical.....                  | 6.7              | 4.3              | 5.7              |
| Sales.....                     | 3.0              | 2.1              | 2.8              |
| Professional and managerial... | 2.9              | 1.8              | 2.6              |
| Agricultural.....              | 1.5              | 1.4              | 1.6              |
| Total.....                     | 100.0            | 100.0            | 100.0            |

As an indicator of unemployment, the above statistics must be qualified in several ways. The "unplaced applicant" is not necessarily unemployed, he may be at work but looking for another job. Further, these figures refer only to that part of the labour force which passes through the National Employment Service. It may be that there is a greater tendency on the part of the unskilled than the skilled man to register.

Even when allowance is made for statistical shortcomings, it is quite evident that it is the unqualified worker who becomes unemployed first. To the individual, then, the problem is one of increasing employability at an earlier stage in life to enable him to maintain his position in the labour market. It is the man with a trade, or a profession, or some particular abilities and training, who stands the best chance of obtaining re-employment after he is past the half-way mark in life.

### III. Seasonality of Unemployment.

One of the outstanding characteristics of unemployment amongst older workers is its seasonal nature. As is well known, unemployment in Canada is highest in the winter months when such industries as agriculture and construction are seasonally inactive. Among workers in the over 45 group, from 1946 to 1948, unemployment in the summer was about half its total in the winter, as shown below:

| Date      | Number Unemployed |        |        |
|-----------|-------------------|--------|--------|
|           | 1946              | 1947   | 1948   |
| February  | 48,000            | 34,000 | 38,000 |
| June      | 26,000            | 21,000 | 22,000 |
| September | 26,000            | 16,000 | 16,000 |
| November  | 25,000            | 18,000 | 23,000 |

The causes of this seasonal unemployment may be divided into two broad groups. First, there is the seasonal unemployment due to conditions peculiar to certain occupations or industries. Secondly, the general seasonal slackness in the economy as a whole results in unemployment among the "marginal" workers, those whose employability is considered to be low by employers.

In the winter months, there are fewer job openings and more workers looking for employment. In the keener competition, the younger and more physically fit men are generally the first choice of employers. The volume of unemployment rises, therefore, among the older workers, who are invariably the last to be hired.



Some of this seasonal unemployment is in occupations and industries in which work comes to almost a complete standstill in winter. Generally speaking, the most seasonal industries in Canada are agriculture, construction, forestry and certain sections of the manufacturing and services industries. The older worker is to be found in considerable numbers in these industries and some off-season unemployment is to be expected, despite the fact that he is entirely competent in his job.

Both of these types of seasonal unemployment among older workers are reflected in the statistical data available on those seeking jobs during the winter months. In the winter of 1948-9, a peak of 70,000 applicants over 45 years of age were unemployed at local employment offices across Canada. More than two-thirds of these were divided among three main occupational groups: unskilled (25,000); construction workers (10,000) and service workers (10,000). Of these, the unskilled and service workers represent the type of job-seeker whose employability is low and the construction group an industry in which seasonality is severe. Among the remainder, there were some occupational groups, such as seamen, agricultural labourers and truck drivers, who were prevented from working in their trade by weather conditions. In other groups, such as retail clerks, machinists and welders, and clerical workers, the supply of labour exceeded the demand and only the best qualified were able to find work.

There are some restraining factors on the extent of this seasonal increase in unemployment. Many older persons withdraw from the labour force in the winter months. These include people who work for a short time each year to supplement their income. In the summer of 1948, the number of persons over the age of 45 at work was about 1,550,000, or approximately 80,000 more than in the previous winter. Other older workers are able to work in different industries in summer than in winter, as in the annual shift between forestry and agriculture in Eastern Canada.

Another factor limiting seasonal unemployment is the higher percentage of own-account workers and employers in this age group, as noted previously. The greatest single industrial concentration of older workers is to be found in agriculture. According to the latest statistics, which are for the year 1941, about one-third of the total of 1,200,000 males over 45 at work were employed on farms. One would expect that seasonal unemployment would be high among this group. Some 85 per cent of these men, however, are own-account farmers and, as such, less affected by periods of seasonal inactivity. It is among farm labourers, most of whom are young men, that seasonal unemployment in agriculture occurs. In other industries, the proportion of proprietors is not so great and this factor operates to a lesser extent.

#### IV. Sex Distribution of Unemployment.

In the over-45 age group, there are many more men than women in the labour force and unemployment, consequently, has been chiefly among males. There are some 200,000 older women in the labour force, about one-seventh the number of men. The number unemployed since 1945 has been in roughly the same proportion. Usually, there have been about 1,000 or 2,000 older women, never more than 3,000, out of a job.

Although the relative rates of unemployment by sex have been about the same in the postwar period, the employment problems facing women are different in many respects than those of men in the same age group. These problems include not only those which traditionally face women seeking work but also others arising from conditions peculiar to the period from 1945 to 1948.

The employment situation from 1946 to 1948 was characterized by a general shortage of women workers. Many women, especially those who were married, had stopped working when the war industries closed. With plenty of jobs available from 1946 on, older women came back into the labour force in increasing numbers. From 1946 to 1948, the total number of women at work increased from 187,000 to 201,000.

With the serious labour shortage, finding a job was not very difficult. Nevertheless, suitable employment was not always available for older women, many of whom were returning to the labour force after an absence of some years. The most serious lack of women workers was in lower paid and less attractive work, such as domestic and factory employment, which many women will not accept.

Although occupational opportunities have been broadening for women steadily, the majority are still employed in occupations traditionally associated with their sex. Thirty per cent are in clerical work; 20 per cent in services, 13 per cent in commercial jobs (including sales clerks), and another 10 per cent are in the professions, mainly teaching and nursing. For all women, the choice of work is quite narrow. For older women, the choice is even more so, since, to a greater extent than is the case for men, preference is given to the younger person. This is especially true in regard to clerical and sales work.

#### V. Unemployment by Age and by Region.

How does unemployment among the more mature workers compare with that of other age groups? In general, it can be said

that their rate of unemployment has been lower in the postwar period than the average for all ages.

As the table below indicates, unemployment is relatively greater among workers under the age of 24. It seems likely that this is due to the nature of the labour force among younger workers. Labour turnover, in particular, is much larger among young people. Many have not settled down to one occupation; others are students in search of temporary employment. As well, it is usually easier for a younger person to find re-employment. The older worker tends to stay in the job he has.

The following table presents unemployment as a percentage of the labour force in the respective age groups and in the total:

| Age<br>Group | 1946    |     | 1947   |     | 1948    |     |
|--------------|---------|-----|--------|-----|---------|-----|
|              | No.     | %   | No.    | %   | No.     | %   |
| 14-19.....   | 28,000  | 4.6 | 21,000 | 3.5 | 25,000  | 4.4 |
| 20-24.....   | 32,000  | 4.6 | 22,000 | 3.1 | 21,000  | 2.9 |
| 25-44.....   | 53,000  | 2.6 | 33,000 | 1.6 | 32,000  | 1.5 |
| 45 plus....  | 31,000  | 2.1 | 22,000 | 1.5 | 25,000  | 1.6 |
| Total.....   | 143,000 | 3.0 | 98,000 | 2.0 | 103,000 | 2.1 |

There is one feature of the regional distribution of older worker unemployment which should be mentioned. In the province of British Columbia, there were relatively more unemployed over 45 than in any other region. It is true that there are proportionately more older workers in British Columbia than in any other region, but unemployment rates among these workers are also higher.

## VI. Conclusion.

From the foregoing data, several general observations can be made on the nature of unemployment among workers over the age of 45 from 1946 up until the winter of 1949. First, unemployment was not serious in this age group, in terms of numbers involved. In fact, in the summer months, it was probably quite close to the minimum. There was, however, a marked increase in unemployment among all age groups in the winter of 1948-9.

Regional, age and sex breakdowns of the statistics show several significant points. First, most of the unemployed older workers were men, although indications are that the rate of unemployment was about the same for men as for women. Secondly,



the regional distribution of unemployment showed only one departure from the normal distribution, in the unusually high proportion of older workers on the West coast. Finally, in comparison with other age groups, the extent of unemployment for those over 45 was below the general average.

While general statistics such as these provide a quantitative picture of unemployment, they cast no light on the basic problem-that of increasing the employability of the older worker. To each one of the 25,000 unemployed in the postwar years, this was a very real and tangible question. Re-employment was more difficult for them than for the younger person and often involved downgrading in their type of work.

In this article, the age 45 has been arbitrarily selected as the lower age limit of the older worker group, but the problem is one that increases in intensity with age. The man of 30 is less inclined to change jobs or to accept the kind of work that he would at 20. As he grows still older, economic security becomes even more important. To these economic worries are added other difficulties and problems which aging brings, some social, some psychological, others physical. In other words, maintaining employability is part of a greater problem, that of preparing for old age.

It has been suggested already that the number of older workers is likely to increase in the next few years. In part their unemployment problem could be solved by a greater recognition, both by employers and employees, of the special problems facing this group.

In the past, both have failed to realize the many types of work which the more mature person is capable of doing. This is especially true of jobs which put a premium on the older worker's finer qualities-reliability, good judgment, and low accident and absenteeism rates. War experience has proven that if both the worker and the employer can overcome their mental hazards, both will benefit. Only by a broad appreciation of the problem of aging can the maximum benefit be obtained from this large and growing group of Canada's population.

## EMPLOYMENT SERVICE ACTIVITIES

The labour market during May attained a state of equilibrium never before reached in the postwar era. The most serious labour shortages had disappeared, because of either increased labour supplies or reduced demand. Seasonal activity, on the other hand, was sufficient to absorb most available workers. For those still in the labour market, particularly persons with employment handicaps, the problem for employment offices will be one of increasingly selective placement.

During May, the number of job seekers at employment offices was reduced by another 50,000. By June 2, unplaced applicants totalled 155,000 - about two-thirds the number registered at the winter high in unemployment. A similar decline occurred in the number of claims for unemployment insurance, for which approximately 75 per cent of all applicants apply.

Of the 155,000 persons unplaced, about 10 per cent were already employed but were working reduced hours. Registrations were being made for short-time unemployment insurance assistance. Most of these employees were not looking for other employment, since they were placing increased importance on seniority ratings with their present employers.

Except in a few skilled trades and in a limited number of areas, workers and jobs appeared to be evenly balanced. Labour demand, although diversified and relatively large, was not pressing; few employers for the time of year were placing their orders in clearance. For the most part, employers were willing to wait for suitable applicants. At the same time, the available labour supply, apart from students, was being reduced to persons with some form of employment handicap - age, physical or mental difficulties, occupational maladjustment, and, in the case of women, marriage. These difficulties did not necessarily preclude the applicant from placement and in some cases might enhance their value in certain classes of work. The problem facing employment offices this year will be one of increasingly selective placement.

A few cases of labour shortage were still evident, although these were confined to a relatively small number of occupations and existed predominantly in the women's field. The low

wages, poor working conditions and long hours of work often associated with the service industries caused a withdrawal of workers at the first signs of renewed activity in other industries. Laundries and dry cleaning establishments, hotels and restaurants all reported increasing labour needs but few available workers. Domestic help remained scarce, with demand temporarily inflated because of spring cleaning requirements.

In the nursing profession, also, the employment situation was still far out of balance with the greatly augmented requirements of hospitals, industry, and private nursing. In the stenographic field too, help was at a premium in practically all parts of Canada. Orders have been particularly heavy in the hope of attracting students now graduating from business schools.

Qualified men continued to be in short supply in two of the apprenticeship trades, auto mechanics and bricklaying. Attracting workers at apprenticeship wages during a period of high employment is necessarily difficult, especially when the occupation is handicapped by some degree of seasonality, as is the case in both these, although more particularly in bricklaying. In addition, many workers in these lines have been able to secure jobs without acquiring journeyman's papers because of the tremendously inflated postwar demand for their services. In the auto mechanic trades especially, there has been a relatively large group of semi-skilled workers but a very inadequate supply of skilled men.

Table 1--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745.)

| Series                                   | Average Weekly |               |               |
|------------------------------------------|----------------|---------------|---------------|
|                                          | April<br>1949  | March<br>1949 | April<br>1948 |
| Applications for Work <sup>x</sup> ..... | 30,000         | 31,000        | 30,000        |
| Vacancies Notified.....                  | 24,000         | 17,000        | 25,000        |
| Placements.....                          | 14,100         | 10,100        | 14,200        |
| Women.....                               | 4,300          | 3,800         | 4,300         |
| Veterans.....                            | 2,700          | 1,800         | 3,000         |
| Handicapped.....                         | 255            | 180           | 250           |
| Executive and Professional....           | 60             | 50            | 65            |

<sup>x</sup>Do not include renewals

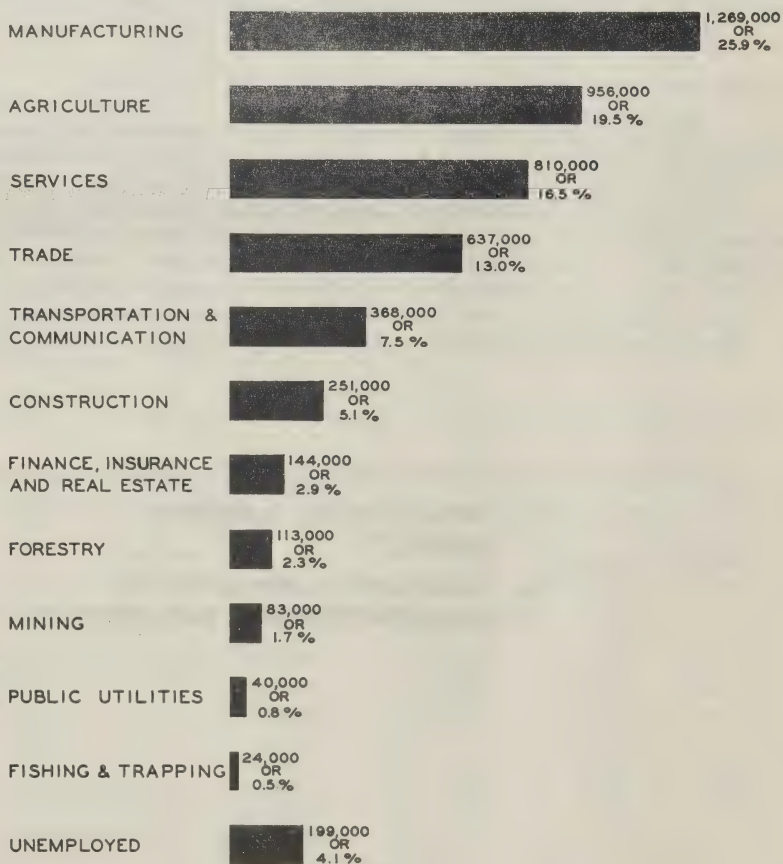


# INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR  
MARKET
- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES

# INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT MARCH 5, 1949

TOTAL LABOUR FORCE - 4,899,000



## INDUSTRIAL LABOUR MARKET

Increased activity in seasonal industries during May absorbed many job-seekers, both unemployed and university students. In agriculture and construction, the labour situation was reported as improved this year, although shortages of certain types of manpower may occur as the season progresses. In the B.C. logging industry, which is also entering its busiest time of year, there was an over-all surplus of labour during the month but this condition was expected to be only temporary.

### MANUFACTURING—

|                                        |           |
|----------------------------------------|-----------|
| Estimated employment (May).....        | 1,275,000 |
| Average weekly earnings (April 1)..... | \$44.49   |

The employment outlook for the manufacturing industries, which employ about 25 per cent of the total labour force in Canada, is for a levelling-off in the expansion which has been evident since 1946. Most of the new plants planned at the end of the war have been completed and are now in operation.

A very slight increase, about 3 per cent, is forecast for the durable goods industries. For non-durables as a whole, employment is expected to remain about the same as in 1948. A considerable expansion is expected in the work force in electric power plants but this industry is relatively small in total manufacturing employment, with about 32,000 workers.

In the field of labour relations, few, if any major work stoppages are expected in 1949. With increases being sought in most plants, interest centres on those negotiations which usually set the pattern, such as in primary iron and steel and automobile manufacturing. In the month of May, a number of new contracts came up for renegotiation and strike action resulted in a few cases. There were 16 strikes in progress during the month, 12 of which began during the month. Some 2,600 workers were involved, including 1,500 at National Steel Car Corp. in Hamilton, Ont.



## AGRICULTURE---

Estimated employment (May).....1,150,000

The demand-supply situation with regard to agricultural labour is considerably improved this year over 1948. Some areas, in fact, report the most satisfactory conditions since 1939. Local applicants are appearing in greater numbers this season, although there still remains a general lack of interest in this type of work among the majority of job-seekers. Single experienced men are in considerable demand and are readily placed when available.

In Eastern Canada, the improved supply of farm labour was partially due to the greater number of loggers available this season for farm work. By May, logging operations for the season were drawing to a close and less summer cutting than last year was planned.

In almost every farming community in Canada, Dutch, Polish and D.P. immigrants have also reduced the farm labour problem. Since the end of the war, some 35,000 immigrants from all countries have entered to do farm work. Many of these will complete their contracts in June and July and replacements are generally being sought.

Increasing mechanization was a third important factor in lowering labour demand and several reports from local employment offices in Quebec mentioned this during May.

Preparations were being made for two movements of farm workers from the Prairie provinces during May. Requests were received by many local employment offices in Ontario for the services of Western farmers who make their annual excursion to the east about the middle of June. The Pacific regional employment office has orders for 250 Prairie berry pickers to be despatched on June 6.

## TRADE---

Estimated Employment (May)..... 647,000  
Average weekly earnings(April 1).. \$36.76

Retail sales have been well maintained this spring as consumer purchasing power remains high. Inventories began to move more rapidly during May as industrial activity picked up. The tourist trade and seasonal demands also increased sales.

Labour market activity has not been correspondingly brisk, however. Most stores are now well staffed, and demand is principally due to normal labour turnover. As well, qualifications are higher this year, which make it more difficult for the inexperienced and

less suitable workers to obtain employment.

The general picture reported from the Maritimes does not appear as bright as that in the rest of the country. Both here and in some parts of Newfoundland, unemployment and part-time work have affected consumer spending. The situation appeared to have improved during May, however. Department store sales in the Maritimes during the two-week period ending June 7 experienced the largest increase over 1948 levels of any part of the country.

Alberta and British Columbia also had substantial increases in department store sales in this period. In British Columbia, retail business was reported as generally good, with sales and employment high. In the Prairies, there was the usual slack period due to seed-ing; crop prospects will determine future sales trends.

#### CONSTRUCTION--

|                                     |         |
|-------------------------------------|---------|
| Estimated Employment (May).....     | 273,000 |
| Average weekly earnings (April 1).. | \$41.96 |

The construction season was well under way during May, with fewer hold-ups reported this year due to men and material shortages. As the season progresses, however, spot shortages of various skilled trades are expected. Expansion of operations this summer will mean employment for some 50,000 more men than were at work during the winter. In 1948, the labour force in the industry hit a peak of just over 300,000, as compared with a low of about 250,000 reached early in 1949. As well as tradesmen, unemployed and students are being drained off into this field.

Wage rates in the building trades are not increasing as rapidly this year as in previous postwar seasons. In most occupations, latest data show that rates are at the same level or, at the most, five cents above last year. In the four largest cities across Canada, the following ranges (in dollars) were shown: bricklayers (1.40-1.80); carpenters (1.25-1.50); electricians (1.35-1.70); painters (1.15-1.45); plasterers (1.40-1.80); plumbers (1.11-1.75); common labour (.80-1.10); skilled labour (.90-1.10). Rates were generally higher in Vancouver and Toronto followed by Winnipeg and Montreal respectively.

The volume of construction has been well maintained in contracts awarded this year. In the first five months, the cumulative total was \$386 million, or \$37 millions over the same period last year. In part, this represents a price, rather than physical volume increase, as building costs are estimated to be about 7 per cent over last year's level.

LOGGING--

Estimated employment (May).....73,000

During May, logging operations in British Columbia were expanding seasonally. A more than adequate supply of labour was reported, although there were vacancies for key personnel. It was expected that this labour surplus will disappear rapidly once the camps are in full production. A 50 per cent restriction on road usage limited the scope of operations during the month.

Market conditions are uncertain as yet, since the volume of export trade is still in doubt. All contracts made so far this year with the United Kingdom and the United States have been at lower prices.

In spite of this price decline it is reported that union demands will be extensive when negotiations open in June. There are two unions active in the industry now, the International Woodworkers' of America (C.I.O.-C.C.L.) and the independent left-wing Woodworkers' International Union, the members of which seceded from the former organization in 1948.

The river drives were in full swing in Eastern Canada during May and no difficulty in obtaining experienced men was indicated. Low water levels were reported as hindering operations in a few areas, notably in the Head of the Lakes district.

Little summer cutting is being carried on in the east this year, as inventories remain substantial. Reduced labour turnover and increased efficiency have further reduced labour demand. A light demand for men for camps in the United States was reported, which was supplied mainly by loggers from Quebec.



## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

During May, 4,343 non-seasonal lay-offs occurred in manufacturing industries. The main causes for these staff reductions were lack of orders and strikes in the U.S. Reduced demand brought about sizeable lay-offs in shipbuilding, iron and steel products, wood products and paper products manufacturing industries. Approximately 2,000 workers were temporarily released as a result of the Ford strike which affected production in Canadian automotive plants.

Non-seasonal lay-offs during May totalled 4,343, an increase of 889 from the previous month. Shortages of orders accounted for the temporary release from employment of 2,003 persons. Strikes in the United States (chiefly the Ford Motor Company dispute) caused temporary staff reductions amounting to 2,118. The remaining 222 workers were laid off for other causes, mainly machinery repairs and production changes. For the first time since this report was started over a year ago there were no lay-offs reported with material shortages the basic cause.

Thirty per cent of the 2,003 lay-offs caused by shortages of orders were in transportation equipment manufacturing; shipbuilding in the Maritimes and Quebec experienced further cutbacks during the month with 352 workers released owing to lack of orders; staff reductions for the same reason also occurred in plants manufacturing busses, trucks, aeroplanes and railway rolling stock. Reduced domestic and foreign demand for iron and steel products caused lay-offs totalling 649; plants manufacturing washing machines, stoves, plumbing supplies, rough castings, tool steels and a number of other products were affected. Demand for wood and paper products continued to taper off during May causing lay-offs amounting to 561.

The strike at the Ford Motor Company in Detroit had far-reaching effects on the Canadian automotive industry. Thousands of employees of the Ford Motor Company of Canada and its feeder plants were put on short time, and approximately 2,000 workers were laid off for an indefinite period. A strike in a United States brake plant caused a tie-up in production at a road machinery manufacturing plant in Western Ontario which resulted in the temporary release of 120 employees.

Other causes responsible for staff cut-backs which totalled 222, were as follows: machinery repairs (115 workers laid off); changes in production (41); plant moved to another locality (31); plant destroyed by fire (30).

Table I--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off         | May, 1949(1) |          | April, 1949 |          | March, 1949 |          |
|--------------------------|--------------|----------|-------------|----------|-------------|----------|
|                          | Number       | Per Cent | Number      | Per Cent | Number      | Per Cent |
| Shortage of orders.....  | 2,003        | 46.1     | 2,793       | 80.8     | 1,772       | 60.7     |
| Shortage of material.... | -            | -        | 155         | 4.5      | 438         | 15.0     |
| Strikes.....             | 2,118        | 48.8     | 20          | 0.6      | 25          | 0.9      |
| Other.....               | 222          | 5.1      | 486         | 14.1     | 684         | 23.4     |
| Total.....               | 4,343        | 100.0    | 3,454       | 100.0    | 2,919       | 100.0    |

(1) Preliminary figures

Table II--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                              | May, 1949 |          | April, 1949 |          | March, 1949 |          |
|---------------------------------------|-----------|----------|-------------|----------|-------------|----------|
|                                       | Number    | Per Cent | Number      | Per Cent | Number      | Per Cent |
| Food and Beverages.....               | -         | -        | 40          | 1.2      | 190         | 8.1      |
| Tobacco Products.....                 | -         | -        | -           | -        | -           | -        |
| Rubber Products.....                  | 70        | 1.6      | 100         | 2.9      | 92          | 6.7      |
| Leather Products.....                 | 15        | 0.3      | 36          | 1.1      | -           | 2.2      |
| Textile Products.....                 | 66        | 1.5      | 821         | 23.8     | 220         | 4.0      |
| Clothing.....                         | 148       | 3.4      | 46          | 1.3      | 136         | 4.2      |
| Wood Products.....                    | 373       | 8.6      | 271         | 7.9      | 794         | 22.5     |
| Paper Products.....                   | 218       | 5.0      | 267         | 7.7      | 328         | 3.4      |
| Printing and Publishing               | -         | -        | 111         | 3.2      | -           | -        |
| Iron and Steel Products               | 769       | 17.7     | 593         | 17.1     | 519         | 14.5     |
| Transportation Equipment              | 2,597     | 59.8     | 1,013       | 29.3     | 510         | 3.6      |
| Non-Ferrous Metals.....               | 20        | 0.5      | 57          | 1.7      | 35          | 2.3      |
| Electrical Apparatus...               | -         | -        | 14          | 0.4      | -           | 1.8      |
| Non-Metallic Mineral<br>Products..... | 16        | 0.4      | -           | -        | 83          | 14.9     |
| Chemical Products.....                | 35        | 0.8      | 70          | 2.0      | -           | 8.0      |
| Miscellaneous.....                    | 16        | 0.4      | 15          | 0.4      | 12          | 3.8      |
| Total.....                            | 4,343     | 100.0    | 3,454       | 100.0    | 2,919       | 100.0    |

# REGIONAL ANALYSIS.....

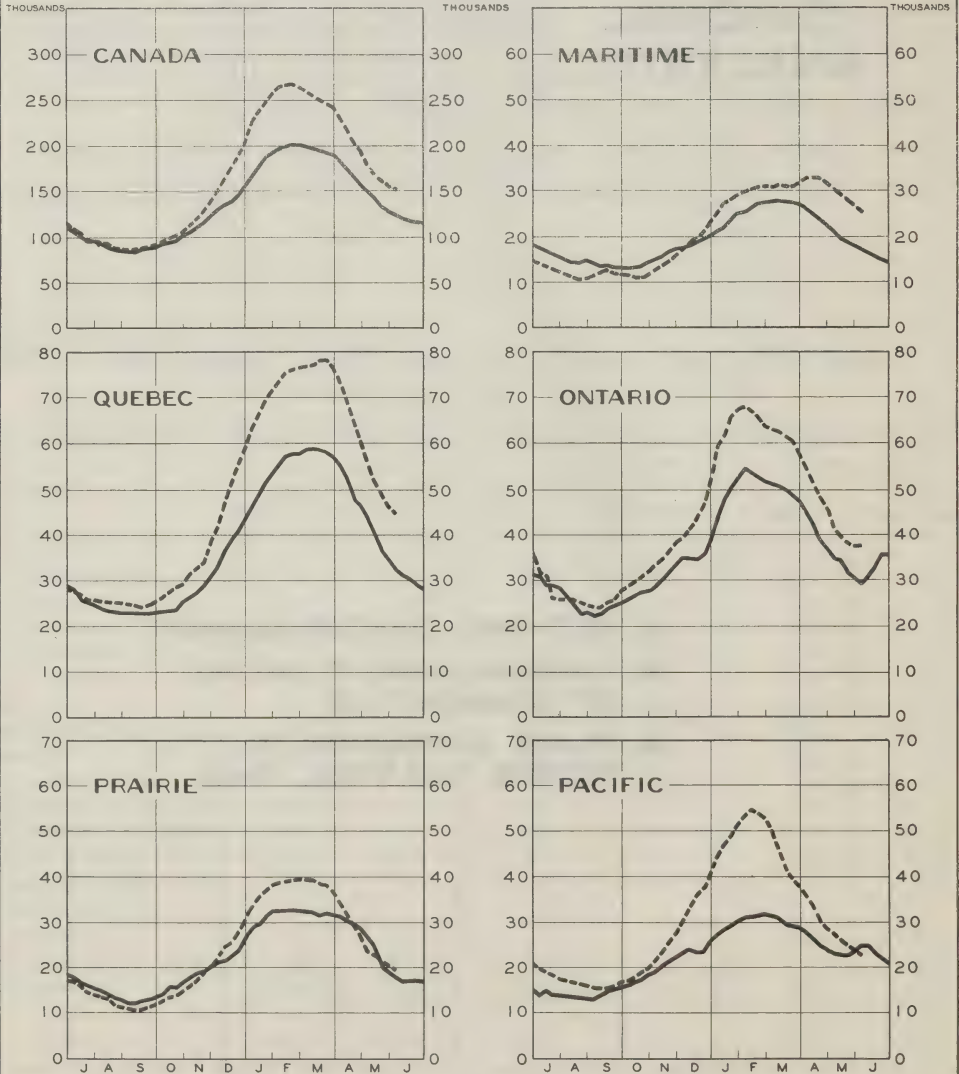
- ▲ REGIONAL LABOUR MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ PLANT EXPANSION IN  
SECOND QUARTER, 1949



# UNPLACED APPLICANTS

AS REPORTED BY  
NATIONAL EMPLOYMENT SERVICE

— JULY 1947 - JULY 1948  
- - - JULY 1948 TO DATE



## REGIONAL LABOUR MARKET

Seasonal activity gained momentum during May, boosting the employment level of regions where primary industries predominate. The labour market in British Columbia, the Prairies and Quebec strongly reflected the seasonal uptrend, and labour shortages were beginning to appear in some areas. In Ontario, the construction program was heavy, but manufacturing employment remained stable. The general situation in the Maritimes showed little change.

### THE MARITIMES.....

The seasonal upswing of employment proceeded steadily during May, despite a few weeks of bad weather which delayed activity in some areas. Expansion in fishing and construction, and recovery in coal mining, were evident.

About 3,000 fishermen and processing plant workers in New Brunswick were seeking other employment as a result of the Fisheries Prices Support Board decision to discontinue purchases from the herring pack; in recent years, the purchases were almost entirely for European relief. Lobster fishermen reported good catches and ready markets, but were not satisfied with prices which were below the average for previous years. Labour relations were stable in the industry and the signing of new agreements was indicated for early June.

In Newfoundland, cod fishing was active, the lobster season continued well, sealing was almost over and the whaling season was starting. Fish processing plants were busy. The herring packing season was extended to the end of May by the Fisheries Board, since herring had not been plentiful, but packers were advised to have definite markets ahead.

Agriculture was delayed in some areas by bad weather, but in others good progress was made. Labour demand was slight, however. In Halifax area, use of mechanized farm equipment had reduced labour requirements further.

The construction industry was active. In Moncton, although indications had pointed to an exceptionally active construction year, a minor attack of jitters seemed to have

affected the area, and little work was underway. Elsewhere in New Brunswick, private contracts were creating much employment; the provincial government, however, had suspended all its contracts until the federal budget estimates had been approved and the province could determine the extent of its own expenditures. In Newfoundland, all government construction projects were brought to a close three weeks before the provincial election, according to legislation, and this greatly affected construction activity during May, although it will result in even greater impetus for June.

Coal mining employment improved and stabilized in all areas except Amherst and Minto, where lack of orders still meant part-time operation. Logging operators in New Brunswick did not plan large cuts of pulp, pit props or lumber for the summer, because of uncertain markets. In Newfoundland, logging activity was in full swing, and employment was above last year's level to meet the requirements of expanded mill capacity.

Port activity was low since the Canadian Seamen's Union strike caused diversion of ships to other ports. All the ships which were strike-bound at Halifax are now manned by the Seafarers' International Union.

QUEBEC.....

Employment expansion in primary industries was steady during May and the labour surplus dropped markedly. Manufacturing remained stable, but sawmills, the river log drive, and mining absorbed many workers, and activity in agriculture and construction was rising.

Long-standing shortages of many manufactured goods were disappearing and a balance between demand and supply is again in sight, even for such previously scarce items as steel. Manufacturers are now placing emphasis on quality and efficiency of production as well as quantity. Uncertainty with regard to overseas markets has affected several industries.

Heavy manufacturing industries--iron and steel, aluminum, aircraft--maintained steady production and employment levels. The pulp and paper industry faced the possibility of price adjustments, and production of groundwood and sulphite pulp was declining; paper mills, however, continued to operate at or near capacity.

Production in primary textile plants was decreasing, since the loss of export markets and diminishing domestic orders forced many mills to reduce hours or release workers; this period is usually a slack one for the industry, however. Clothing firms were busy and prospects for fall business were encouraging.



Cold and rainy weather delayed farm operations somewhat and labour needs were easily met. Plans were already under way, however, for the transfer of farm workers within the region and to other regions as labour needs increase.

The log drive got an early start in May and should continue well into June. All sawmills were in production, and this helped to relieve rural unemployment. Fire hazards in the State of Maine delayed the movement of Quebec woodsmen to the area until the middle of the month, and fewer men were then required because of the interruption.

In mining areas of western Quebec, the usual exodus of underground workers to other seasonal employment was taking place. The heavy labour turnover has created an acute shortage of experienced underground men, particularly in view of the plans for production expansion recently announced by the operators.

In the asbestos industry, the strike still persisted, and no encouraging developments occurred during May.

Construction activity was expanding gradually, although not with the same speed as occurred last year. Prospects for the season are good, however, and full employment for all tradesmen is indicated.

#### ONTARIO.....

Employment conditions improved further during May due chiefly to construction activity. Manufacturing, the major industry of the region, gave no evidence of marked expansion since employers remained apprehensive of the business outlook. Reduced industrial activity in the United States, the decline in consumer demand for many products, and uncertainty regarding export markets have all contributed to a cautiousness which has not been evident during the past years of buoyant inflationary conditions.

On the whole, the employment situation reflects a return to times when supply and demand are balanced, inventories high, buyers' resistance in evidence, and when small temporary lay-offs occur from time to time.

Heavy metal manufacturing did not show any appreciable change during the month. Foundry activity was still fairly slow, and many companies continued on the 4-day week. Steel production continued at capacity. Electrical equipment firms maintained full production schedules. Shoe manufacturing was steady, but

uncertainty resulted from increasing buyers' resistance; retail outlets were avoiding large orders, in expectation of price cuts.

Farm labour demand has increased steadily, but as yet, no supply problems have arisen. Many orders for western harvesters have been placed in advance. The contracts of a large group of D.P. workers will expire shortly, and many may leave mixed farming employment to work in the tobacco or sugar beet fields, where earnings are greater.

A heavy construction program was well under way. Skilled tradesmen were very much in demand, and in several areas, the local supply was exhausted. The demand for bricklayers, painters, plasterers, roofers, cement finishers, and tinsmiths, remained high, but carpenters were not so scarce.

Toronto---Despite the much-publicized construction labourers' strike which tied up work on most large projects, demand was heavy for construction tradesmen. Some employers were refusing to pay the going rates for certain skills.

Windsor---The labour dispute of the Ford Motor Company in the U.S. has had repercussions on the Canadian firm, which was forced into short-time operation and large lay-offs; its feeder plants have also been affected. The other two automobile manufacturers in the area were in steady operation.

#### THE PRAIRIES.....

Operations in seasonal industries were well under way during May, and the employment pattern for the summer became clear. The labour surplus decreased further and, in some areas, shortages of skilled workers were developing.

The peak of farm labour demand has now passed in all provinces until the harvest season starts. Much of current demand now is only for short seasonal operations. Quite a number of orders for Displaced Persons were not approved upon investigation, either because local workers were available or because minimum requirements regarding wages, working and living conditions were not met. Weather has been cool, and crops are not much further advanced than is usual, although they were seeded two or three weeks earlier. The threat of extensive grasshopper damage continued despite cold weather and control measures, but it was hoped that damage might be kept to fairly low proportions. On the whole, crops were in good shape.

The summer logging season promised to be the quietest in years, and cutting will be at a minimum. Sawmills were operating normally, but the market for lumber showed signs of weakening; retail prices were steady, but reductions were made in manufacturers' prices for lower grades.

Flour mills were still not working at capacity, and some smaller ones were forced to close. Some improvement in the situation was expected as a result of renewed British demand, but the trade generally felt that wider export markets were needed to keep mills working on a full-time basis.

The meat packing industry was seasonally slack.

In mining areas, prospecting crews were going into the field. The re-opening of navigation stimulated activity in iron mining and additional men will be hired as soon as stock piles have been moved. Coal mines, however, were still on short-time operation.

The prospects for housing construction were excellent and an active season was planned; although a shortage of tradesmen may develop, it will probably not reach serious proportions. The situation with regard to industrial construction varied--in some areas, expansion was creating shortages of cement and steel, as well as skilled workers; in other areas, work on industrial units was slack. The highway construction schedule was ambitious, and skilled operators of road building equipment were already in short supply.

#### THE PACIFIC.....

The employment upswing gained further momentum during May. Woods operations reached full production, the fishing industry was active, placer mining, agriculture and construction were rapidly absorbing workers. The labour market emphasis was shifting from surpluses to shortages, particularly of skilled men.

Ideal seeding and growing conditions have boosted orders for farm workers. Displaced Persons and Dutch immigrants have been of great assistance to the ranching and dairying industries. Berry crops were ripe and once again pickers were being recruited on the Prairies.

Logging was in full swing in all areas by the end of the month, except for occasional closures due to low humidity, fires and high water conditions. There were openings for several



hundred skilled workers, but such men were not available. A positive market trend for the industry could not be forecast until export orders were confirmed, but generally, a levelling-off seemed evident. United States prices for high-grade lumber were weakening and although a large contract from the United Kingdom seemed assured, the selling price will likely be lower than for previous shipments. Wage negotiations will open in the middle of June, with quite extensive union demands. According to latest reports, the W.I.U. had been certified as bargaining agent for only nine operations and the I.W.A. held a wide majority of bargaining rights throughout the industry.

Sawmill operations will probably not provide much additional employment in the next few months, since the work force has stabilized and many plants report the lowest labour turnover in several years. There were, however, scattered shortages of key personnel.

In the base metal industry, the number of new developments under way indicates substantial employment expansion once the new properties start producing. Established operations continued at a high level of employment.

There was a decided uptrend in construction activity, particularly in road building projects. Skilled road equipment operators were becoming scarce. Building construction projects had absorbed local labour supplies in most outlying areas, and men soon would have to be cleared from Vancouver, where a fair number of workers were available, except in the trowel trades. A steady demand for all types of construction workers was indicated for the balance of the year.

The C.S.U. and S.I.U. jurisdictional dispute was still waging, and there was no indication of an early settlement; several deep-sea vessels were strike-bound.

## LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at June 1, 1949, at May 1, 1949, and at June 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for May and June of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio           | Group Rating    |                |                 |
|----------------------------------------|-----------------|-----------------|----------------|-----------------|
|                                        | June 1,<br>1949 | June 1,<br>1949 | May 1,<br>1949 | June 1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                 |                 |                |                 |
| Quebec .....                           | 106             | III             | III            | III             |
| Vancouver.....                         | 82              | III             | III            | III             |
| Windsor.....                           | 64              | III             | III            | III             |
| Winnipeg .....                         | 56              | III             | III            | III             |
| Calgary .....                          | 39              | IV              | IV             | IV              |
| Victoria .....                         | 37              | IV              | IV             | IV              |
| Ottawa .....                           | 37              | IV              | IV             | IV              |
| Hamilton .....                         | 28              | IV              | IV             | IV              |
| Edmonton .....                         | 26              | IV              | IV             | IV              |
| Montreal .....                         | 26              | IV              | IV             | IV              |
| Toronto .....                          | 21              | IV              | IV             | IV              |
| <u>Population of 50,000 to 100,000</u> |                 |                 |                |                 |
| Sydney .....                           | 157             | II              | II             | II              |
| Saint John .....                       | 105             | III             | III            | III             |
| Fort William-Port Arthur.....          | 100             | III             | III            | IV              |
| Halifax .....                          | 80              | III             | III            | III             |
| London .....                           | 22              | IV              | IV             | IV              |
| Regina .....                           | 15              | IV              | IV             | IV              |
| Kitchener-Waterloo .....               | 7               | IV              | IV             | IV              |
| <u>Population of 25,000 to 50,000</u>  |                 |                 |                |                 |
| Hull .....                             | 149             | III             | II             | III             |
| Sherbrooke .....                       | 94              | III             | III            | IV              |
| Shawinigan Falls .....                 | 92              | III             | III            | IV              |
| Chicoutimi .....                       | 77              | III             | II             | IV              |
| Oshawa .....                           | 72              | III             | III            | III             |
| Three Rivers .....                     | 63              | III             | III            | IV              |
| St. Catharines .....                   | 40              | IV              | IV             | IV              |
| Brantford .....                        | 39              | IV              | IV             | IV              |
| Kingston .....                         | 34              | IV              | IV             | IV              |
| Saskatoon .....                        | 31              | IV              | IV             | IV              |
| Peterborough .....                     | 30              | IV              | IV             | IV              |
| Sudbury .....                          | 22              | IV              | IV             | IV              |
| Sault Ste. Marie .....                 | 19              | IV              | IV             | IV              |
| <u>Population of under 25,000</u>      |                 |                 |                |                 |
| Pictou-New Glasgow .....               | 179             | II              | II             | II              |
| Sorel.....                             | 170             | II              | II             | III             |
| Amherst .....                          | 119             | III             | III            | II              |
| Valleyfield .....                      | 92              | III             | III            | III             |
| Welland .....                          | 85              | III             | III            | IV              |
| Niagara Falls .....                    | 23              | IV              | IV             | IV              |
| Trail .....                            | 22              | IV              | IV             | IV              |



## PLANT EXPANSION IN SECOND QUARTER 1949

Capital investment in the manufacturing industries for 1949 has been forecast as \$522 million, 7 per cent below 1948. The corresponding decline in new employment resulting from this expansion may be even greater since a large number of employers are expanding with a view to reducing costs through increased efficiency. As a result, only 25 per cent of the plant expansion reported so far for this year will result in new jobs.

Capital investment in the manufacturing industries may be divided into two broad classifications: first, investment for new machinery and equipment and, second, investment on construction or renovation of the building itself. In the postwar industrial boom, the relationship between the amounts spent on these two types of expansion has been fairly constant, with expenditures on new machinery and equipment roughly double those on construction.

The Department of Trade and Commerce has estimated that some \$390 million was spent in 1948 by manufacturing plants on machinery and equipment and about \$174 million on construction.<sup>(1)</sup> For 1947, the comparable figures were \$356 million and \$183 million.

Forecasts made by the same Department for the year 1949 indicate that expenditures on both types this year will be lower in value, although the relationship between the two will remain approximately the same. Reports received by the Department of Labour bear out this forecast of smaller volume.

A much more cautious approach towards industrial expansion as a whole is evident this year. This significant change in attitude will have an important effect on employment. More and more employers are indicating that current expansion, especially as regards machinery, is for the purpose of increasing efficiency of production and reducing costs. This contrasts with last year, when industrial expansion was aimed primarily towards increased volume to take advantage of favourable market conditions.

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(1) Private and Public Investment in Canada. Outlook 1949;  
Dept. of Trade and Commerce, Ottawa, 1949.

Only 25 per cent of the industrial expansion projects completed in 1949 are expected to result in new jobs. Of the remainder, many will increase efficiency through new machinery and new production methods with no increase, and possibly even a decrease, in employment. The following excerpts from letters received by this Department illustrate the trend of current industrial expansion. These came from a large non-ferrous metal products plant and a textile plant in Ontario and from a large brick and tile firm in the Maritimes, respectively.

- (1) "This project has made little or no change in the number of people employed. It has, however, provided us with the space necessary for new equipment, making it possible for us to increase the quantity, quality and variety of our products."
- (2) "This (expansion) will result in more economical operation, and should allow us to do more business without adding any work to our staff, or taking on any more help."
- (3) "Our whole program is based on a reduction of costs of our products to the trade. We hope to improve the quality of the goods and at the same time, have a more efficient plant. With these up-to-date methods we will not be using as many men as before."

INCREASED EMPLOYMENT IN THE MANUFACTURING INDUSTRY  
AS A RESULT OF PLANT EXPANSION

- Second Quarter 1949 -

| Area                    | Name of Company                                      | Number of<br>New<br>Employees | Industry             |
|-------------------------|------------------------------------------------------|-------------------------------|----------------------|
| <u>Quebec</u>           |                                                      |                               |                      |
| Huntingdon              | Chateau Dyers Ltd.                                   | 50                            | Textiles             |
| Huntingdon              | Model Dye Works (Canada) Ltd.                        | 45                            | Textiles             |
| Montreal                | Henderson, Barwick Co. Ltd.                          | 15                            | Iron and Steel       |
| Montreal                | Mercury Press Ltd.                                   | 20                            | Paper Products       |
| <u>Ontario</u>          |                                                      |                               |                      |
| Beamsville              | The N.M. Bartlett Spray Works                        | 9                             | Chemicals            |
| Orillia                 | Porcelain & Metal Products Ltd.                      | 6                             | Non-Ferrous Metal    |
| Owen Sound              | Liddell Hosiery Ltd.                                 | 40                            | Textiles             |
| Renfrew                 | Light Alloys Ltd.                                    | 15                            | Non-Ferrous Metal    |
| Toronto                 | National Fibre Co. of Canada Ltd.                    | 6                             | Non-Metallic Mineral |
| Toronto                 | The Patterson Foundry & Machine<br>Co. (Canada) Ltd. | 100                           | Iron and Steel       |
| Toronto                 | Phono Motors Limited                                 | 25                            | Electrical Apparatus |
| <u>Manitoba</u>         |                                                      |                               |                      |
| Winnipeg                | Building Products Ltd.                               | 6                             | Non-Metallic Mineral |
| <u>British Columbia</u> |                                                      |                               |                      |
| Victoria                | Manning Timber Products Ltd.                         | 70                            | Wood Products        |











A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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FEATURE ARTICLE\_\_\_\_\_

Employment Conditions  
In Newfoundland,  
June, 1949

Volume 5

Number 7



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CANADIAN LABOUR MARKET, July 1949

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CANADIAN LABOUR MARKET  
Research and Statistics Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

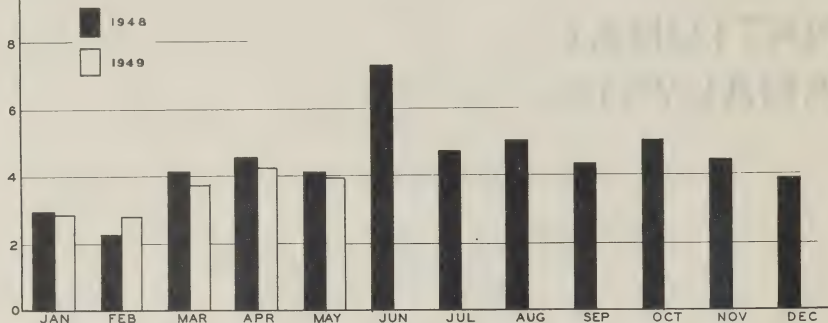
# NATIONAL ANALYSIS.....

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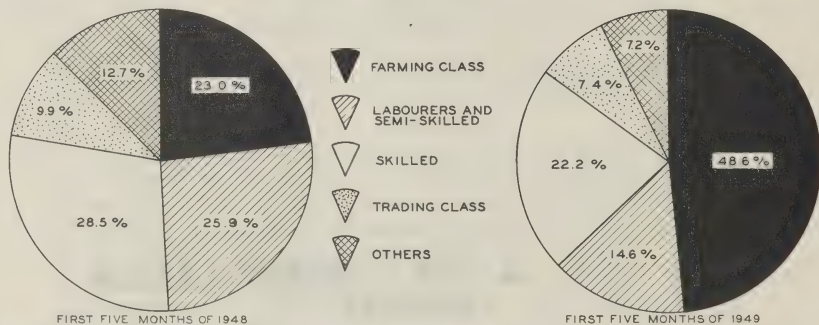
# IMMIGRATION OF ADULT MALES TO CANADA.....

## HOW MANY.....

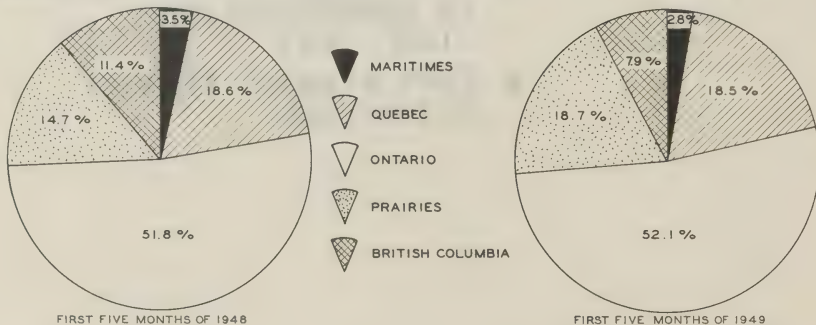
THOUSANDS



## WHO THEY WERE.....



## WHERE THEY WENT.....



(1) INCLUDES WOMEN AND CHILDREN. DATA FOR MALES ONLY NOT AVAILABLE, BUT DISTRIBUTION VERY SIMILAR



## THE CURRENT LABOUR MARKET

During June and early July, the steady decline of unemployment throughout Canada was temporarily halted as students entered the labour market. Although these workers were not absorbed as rapidly as in 1948, most of them had jobs by the middle of July. The general employment picture in Canada continues to be favourable, in contrast to the United States, where slight but steady increases in unemployment have occurred in recent months.

During recent weeks, the economy has moved further into its usual period of extensive seasonal activity. On the whole, the employment situation in Canada now is very favourable. Total employment continues to exceed last year's levels, with an estimated five million persons now working in the country as a whole.

The employment picture shows some variation, however, from region to region. In the Maritimes, there are scattered pockets of unemployment despite the seasonal increase in activity. Manpower requirements and supplies in Quebec are about in balance, with most workers employed and no serious labour shortages in prospect. Throughout most of Ontario, employment activity has been increasing despite the adverse effects of the recent drought conditions. On the Prairies, unemployment is at a minimum, while on the West Coast seasonal activity is presently high, although weather conditions have hampered fishing and forestry operations in some areas.

While the employment situation at the moment is very good and promises to continue to be favourable for some months, it is to be expected that jobs will not be as plentiful during the coming winter months when seasonal activities are reduced in many industries. It is difficult to anticipate how extensive unemployment will be next winter, but there is a chance that it may be somewhat higher than during the winter of 1948-49.

Unemployment registered a slight decline during June and early July despite the usual influx of thousands of students into the labour market. Although these young workers are not finding it as easy to obtain jobs this summer as in previous years, the great majority are securing summer employment. These students form a valuable part of the work force in agriculture, in construction, in trading and service

establishments, in the mines, and in many factories during the summer months when regular workers are on vacation and when seasonal production peaks occur.

In manufacturing industries, one of the most important factors influencing production activity at present is the availability of foreign markets. Domestic demand remains strong on the whole, but in many manufacturing industries production has been greater than domestic requirements. Narrowing export markets, therefore, have resulted in short-time work and lay-offs in several industries. The pulp industry, for instance, has caught up with demand for the moment at least. In British Columbia, extensive lay-offs occurred during June while a slackening in pulp mill activity was also reported from Quebec. Declining markets for pulp and fine papers, falling prices and fairly substantial stock piles are in evidence. These developments will likely be reflected in the level of woods operations this winter. Current information indicates that logging employment this winter will probably be about 15 to 20 per cent less than last year.

The extent of construction activity varied from region to region during June. A record season is indicated in Quebec and Ontario, even though it was slow in getting underway. In the Prairies and British Columbia, a slightly lower level of activity seems likely. In the Maritimes, construction work was extremely slow in starting, but reports now indicate that activity is more extensive with a high proportion of the projects being undertaken by federal, provincial or municipal governments.

The demand for farm labour increased during June, but sufficient workers were available in all regions except Ontario. In the latter region, the recent drought has resulted in some crops ripening early. This has strengthened the demand for harvest help. During the month, the movement of harvesters from the Prairies and Maritimes began. About 200 workers were despatched from the Maritimes in June, and another 150 will likely follow in July. The movement from the Prairies has been slow to date.

A record tourist season is expected this year in all parts of the country. Hotels in most resort areas are solidly booked. Halifax, which is celebrating its Bicentary anniversary, has experienced an exceptionally large influx of tourists. Activity in almost all of the trade and service industries which are associated with the tourist season is high and shortages of experienced workers are evident.

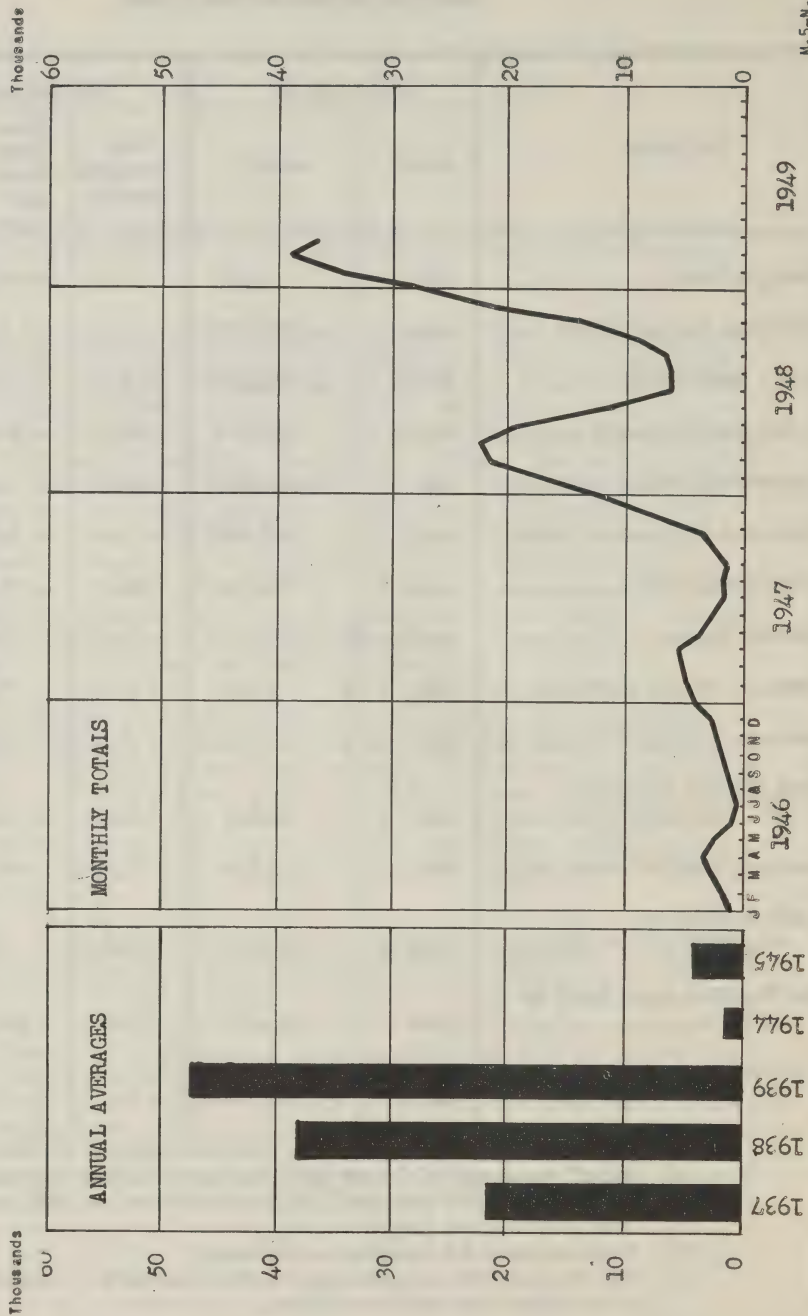
SELECTED LABOUR MARKET TRENDS

| Indicator                                        | Latest Data |               | Percentage Change   |                           |                                              |
|--------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                  | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration.....                                 | May         | 9,200         | + 1.0               | - 2.9                     | - 1.0                                        |
| Civilian Labour Force (a).                       | March       | 4,899,000     | - 1.3               | + 1.5                     | + 1.5                                        |
| Total Employment (a).....                        | March       | 4,700,000     | - 3.3               | + 0.7                     | + 0.7                                        |
| Total Unemployment (a)....                       | March       | 199,000       | +87.7               | + 27.6                    | + 27.6                                       |
| Industrial Employment (b)..                      | May 1       | 2,052,000     | + 0.5               | + 2.2                     | + 1.7                                        |
| Unplaced Applicants (c)...                       | July 1      | 147,200       | - 4.9               | + 24.2                    | + 27.7                                       |
| Live Claims (d).....                             | June 1      | 96,000        | -28.7               | + 35.0                    | + 41.3                                       |
| Labour Income.....                               | April       | \$607,000,000 | + 0.3               | + 10.0                    | + 10.7                                       |
| Average Weekly Earnings (e)                      | May 1       | \$ 42.30      | + 0.4               | + 9.8                     | + 10.9                                       |
| Average Hourly Earnings (e)                      | May 1       | \$ .99        | + 0.4               | + 10.3                    | + 11.2                                       |
| Real Weekly Earnings<br>Av. 1946=100 (f).....    | May 1       | 108.5         | + 0.4               | + 5.5                     | + 4.9                                        |
| Average Weekly Hours (e)...                      | May 1       | 42.9          | 0.0                 | -0.5                      | - 0.3                                        |
| Cost of Living<br>Av. 1935 - 39 = 100.....       | June 1      | 160.5         | + 0.6               | + 4.0                     | + 5.4                                        |
| Man Working Days Lost by<br>Strikes.....         | June        | 141,000       | -19.0               | +310.9                    | + 46.6                                       |
| Industrial Production<br>Av. 1935 - 39 = 100.... | May         | 187.0         | + 0.5               | + 2.7                     | + 1.1                                        |

- (a) Estimated on basis of a one per cent sample of the population.  
 (b) Based on firms of 15 or more workers in nine leading industries.  
 (c) Registered with National Employment Service Offices.  
 (d) Ordinary Claims only.  
 (e) Wage earners in manufacturing only.  
 (f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.



# NUMBERS OF PERSONS ON ABLE-BODIED RELIEF NEWFOUNDLAND



## EMPLOYMENT CONDITIONS IN NEWFOUNDLAND JUNE, 1949

Employment provided by the seasonal upswing was disappointing, especially in fishing, fish processing and construction. Unplaced applicants at June 16 were down 700 from May 26, but had increased 500 by June 30. More persons were receiving unemployment assistance benefits for increasingly long periods during May and June, but able-bodied relief payments were declining gradually. Employment prospects in construction, fish processing, logging, and pulp and paper are not bright.

During June, developments that disturbed the Newfoundland employment picture in the month of May were less pronounced. Government construction work was resumed on May 28, following a three-week suspension during the provincial election campaign. Weather conditions improved, and seasonal employment increased. The more apparent disruptions resulting from Confederation seem to have been at least partially overcome, with inventories being built up and the pace of business increasing. However, the underlying adjustments to the new conditions brought about by Confederation continued.

Despite these encouraging signs, there remained during June a considerable number of unemployed, and prospects for future employment were not bright.

### Persons Reported Looking for Work--

At June 30, the number of unplaced applicants registered with the three N.E.S. offices in Newfoundland was 5,360 or roughly 4.5 per cent of the Island's labour force. The comparable percentage for all Canada was 3, while for the Maritimes it was about 6.

From May 26 to June 30, there was a reduction of about 200 in the number of unplaced applicants in Newfoundland. During the month, however, the number of applicants had dropped to 4,800 at June 16, so that unemployment on the Island was rising during the last two weeks. Only a small part of the increase may now be attributed to the growing familiarity of Newfoundland workers with the facilities of the National Employment Service.

It was noted in the previous month that a higher proportion of the unplaced applicants in Newfoundland were younger workers (under 20 years of age) than in the Maritime provinces as

a whole or in all of Canada. This situation had not changed by the end of June, according to available non-statistical evidence.

There continue to be very few female unplaced applicants in Newfoundland although, throughout the month of June, the total rose gradually. At June 2, there were 220; at June 16, 240; and at June 30, 246. This rise only indicates the increasing familiarity of female job seekers with the N.E.S. The relative picture still differs greatly from that of Canada generally and of the Maritime region, as illustrated by the following table:

| Region            | Of every 100 unplaced applicants,<br>the following numbers were women: |               |
|-------------------|------------------------------------------------------------------------|---------------|
|                   | May 26, 1949                                                           | June 30, 1949 |
| Newfoundland..... | 3                                                                      | 5             |
| Maritimes.....    | 14                                                                     | 18            |
| Canada.....       | 25                                                                     | 30            |

During the first half of June, the Corner Brook office of the N.E.S. reported only half a dozen female unplaced applicants. The manager of that office, however, discovered that the facilities of the N.E.S. were widely believed to be for men only, and undertook a campaign of radio publicity to counteract this misapprehension. At the end of June, that office reported 28 female unplaced applicants.

#### Developments During June--

During June, as was expected, employment activity increased in some lines. Generally this was due to the resumption of Provincial government construction projects after the Provincial election; the gradual restoration of confidence following Confederation; and the usual seasonal upswing of activity as summer approached. In certain industries, however, increased operations in June were not so great as expected and there remained considerable unemployment.

Due to a poor fishing season, occasioned by both bad weather and bad fish runs, many fishermen remained unemployed throughout most of what is normally their busiest period. Cod and



salmon improved over poor starts, but lobster was spotty and the herring fishery was the poorest in years. In the Corner Brook area, several processing plants worked only three months compared to seven in 1948, and provided about one-half the 1948 volume of employment. It is estimated that total fisheries output for the first half of 1949 is at least 20 per cent below that for the comparable period in 1948. Herring output was only about one-third the contract expectations.

Forestry activity was high, with several hundred seasonal workers employed. At present, however, there are vacancies for only a few experienced loggers. Full capacity mining operations continued from June 3, when the six-week St. Lawrence strike was settled. Manufacturing, other than fish processing, showed a slight seasonal employment increase.

Waterfront activity during June was high in St. John's and Botwood, but quiet in Corner Brook. The absence of any other seasonal activity in Botwood created considerable unemployment there. The slack employment picture in Corner Brook, occasioned both directly and indirectly by the poor fish catch, was partially alleviated by the resumption of road construction and maintenance, and provincial building projects. The Anglo-Newfoundland Development Company's usual seasonal repairs and alterations were not commenced during June, but repairs at the Bowater mill absorbed over 130 seasonal workers.

Wholesale and retail trade continued brisk, with mounting sales and imports, and with higher instalment buying both from Island firms and from mainland mail order houses in Canada and the United States. There was little activity in the service fields during June, although the Corner Brook Employment Office handled over 20 orders from mainland offices for domestic servants. The response to recruiting for the Canadian armed forces, recently begun in Newfoundland, has exceeded expectations.

The slackness of seasonal employment, particularly in fishing, has left the occupational composition of male unplaced applicants almost as it was at May 19. Skilled and semi-skilled workers, however, were absorbed into seasonally active industries more readily than unskilled workers. Thus, there was a decrease in the numerical importance of the former group relative to total unplaced applicants. In Newfoundland, in contrast to the general



Canadian picture, seamen, loggers and construction workers were not absorbed as rapidly as workers in other occupations and thus these made up a growing proportion of the unemployed. This was particularly true of construction workers who accounted for 19.1 per cent of all unplaced male applicants at June 30, as compared to 18.3 per cent at May 19. Unplaced male applicants at June 30, 1949, are analyzed by occupations in the following table:

| Occupation                    | Newfoundland |       | Maritimes |       | Canada |
|-------------------------------|--------------|-------|-----------|-------|--------|
|                               | Number       | %     | %         | %     |        |
| Skilled and Semi-skilled..... | 2,740        | 53.6  | 52.6      | 55.3  |        |
| Clerical.....                 | 181          | 3.5   | 5.6       | 6.3   |        |
| Service.....                  | 218          | 4.3   | 8.7       | 13.0  |        |
| Farming, fishing, etc. ....   | 85           | 1.7   | 1.4       | 1.1   |        |
| Seamen.....                   | 156          | 3.0   | 2.7       | 1.5   |        |
| Loggers, etc. ....            | 157          | 3.1   | 1.1       | 1.4   |        |
| Metal Workers.....            | 68           | 1.3   | 3.0       | 5.7   |        |
| Construction.....             | 977          | 19.1  | 12.2      | 7.5   |        |
| Taxi & Truck Drivers, etc..   | 429          | 8.4   | 6.8       | 4.5   |        |
| Other.....                    | 469          | 9.2   | 11.0      | 14.2  |        |
| Unskilled.....                | 2,374        | 46.4  | 47.4      | 44.7  |        |
| Total.....                    | 5,114        | 100.0 | 100.0     | 100.0 |        |

#### Unemployment Assistance and Insurance

The number of beneficiaries under the unemployment assistance provision of the Confederation agreement rose sharply in May to 2,364, as compared with the April figure of 661. This rise was largely due to the fact that many workers who had applied for assistance in April did not become eligible until the following month. For the same reason, unemployment assistance payments rose from about \$16,000 in April to \$118,400 in May. The average benefit payment was \$16.25 in April and \$50.10 in May, because of the increase in the average benefit period from seven days in April to 20 days in May. In addition, nine persons who had established benefit rights during previous employment on the Canadian mainland received \$363 in unemployment insurance benefits

during May. At the end of May, there were 875 unemployment assistance claims pending as well as 25 claims for unemployment insurance benefits.

During June, unemployment assistance beneficiaries and payments showed further increases. The number of beneficiaries rose to 2,938, while payments during the month totalled \$199,100, as compared with \$118,400 in May. The average benefit payment was \$67.76 in June (\$50.10 in May), and the average benefit period 28 days (20 days in May).

#### Able-bodied Relief--

The number of families receiving able-bodied relief payments in April, the latest period for which data are available, was about 6,500, down 500 from March. In April, 1948, the figure was about 4,100. The total cost of able-bodied relief for April, 1949 was \$185,000--an average per family of about \$28.00, as in March.

Each year these relief payments are expected to increase just before the beginning of the spring seasonal activity, since at that time the financial resources of many families--composed of the previous year's earnings supplemented by any casual earnings--are at their lowest ebb. With bad weather and poor fish runs, the 1949 seasonal upswing, unsatisfactory as it proved to be, was delayed, and the April able-bodied relief payments were consequently larger than usual for this period. It is probable, however, that these payments would have been still greater were there not provision for adjustments, individual family circumstances being considered, between able-bodied relief payments and unemployment assistance benefits.

#### Employment Outlook--

Seasonal employment has not been as great as was expected. In construction, the paving of Water Street., St. John's, was expected to employ some 400 workers, but only about 100 are reported to be engaged on this project. A Central Mortgage and Housing Corporation project in St. John's is expected to provide employment for about 100 men, but curtailed activity in industrial plants on repair and alteration work, and in road work in some areas, indicates that the surplus of construction workers will continue throughout the summer.

The relatively poor fishing season has resulted in considerable unemployment, both among actual fishermen and among fish processors. Even if current market difficulties were settled, the low catch would mean hardship for the coming winter. Expectations for the whale fishery are high, but relatively few workers are affected. It is unlikely that much additional employment will be provided by logging and pulp and paper, and it is probable that fewer seasonal workers will be required this fall and winter due to the increased mechanization of woods operations.

In mining, activity seems likely to continue at a high level, with possibilities of some increases in employment as a result of proposed expansions, as well as current exploration for new mineral deposits and the operations of the newly-opened talc mine at Manuels.

The payment of family allowances and old age pensions is reported to be at least partially responsible for increased sales of various types of insurance, and continues to support the high level of retail activity.

## EMPLOYMENT SERVICE ACTIVITIES

More placements were effected in May and early June than at any time in the past two and one half years but the number of unplaced applicants remained high in terms of the two previous years, totalling 147,000 at the end of June. Workers on short-time and students accounted for a large part of the difference. Farm labour movements were progressing as usual, with sufficient workers available.

Placements this season have exceeded all records for the past two and one half years. A better balance between workers and jobs has brought this about. Jobs are fewer, but workers are more plentiful and better matched to employers' orders. A placement rate of 16,500 per week was established in May with a slightly higher total for the first weeks of June indicated in preliminary figures. The May total showed an 18 per cent jump during the month, and a 2 per cent rise over the year.

The changed labour supply situation was indicated in a number of ways. Numerically, workers during 1949 have been registering at a rate about 5.3 per cent higher than in 1948, although the gap had closed to 3.1 per cent in May. A heavy backlog had built up early in the year, and while the rate of decline since the end of March roughly equals that of 1948 and numerically is much larger, there remained 144,700 unplaced at the end of June, a gain of 29,000 over the year.

The increase in numbers has been accompanied by a slight change in the type of applicant available. Many registered this year have been working short-time, about one out of eight as against one out of twenty last year. Available workers, as a whole, have been of a steadier type with the decline in labour turnover. More this year are skilled or semi-skilled- at the beginning of June 32 per cent fell in this category as against 29 per cent in 1948. The gain in this group took place among almost all industries, although it was particularly evident in construction.

The level of job reporting had improved in recent months although, in total, vacancies notified in 1949 were down 13 per cent from 1948. The male worker was affected most seriously, with jobs for women only falling 1.2 per cent. Labour shortages had



developed in a few skilled trades by the end of May, and many of the service occupations. Some of the longstanding vacancies were placed in clearance but most employers were not looking for help outside their immediate territory. Jobs in circulation were decidedly down from the number reported last year, almost entirely due to the disappearance or saturation of demand in Ontario. During May, just under 400 transfers out were effected each week. The majority of these were in the seasonal industries - construction, agriculture, mining, and food processing.

Unemployment insurance claims during this period have not shown any significant gain in cases of protracted unemployment. While numerically larger this year, the proportion registered for three months or more had dropped from 33 per cent of the total to 29 per cent at the end of May. Registrations of two months standing remained relatively unchanged proportionately. At the same time, those registered for a week or less had increased from 15 to 20 per cent of total claims.

National Employment Service, in co-operation with the Dominion-Provincial farm labour committees, was carrying out its usual program of farm labour movements. Relatively few recruiting problems developed this year since drought conditions and increased local supplies of labour had cut down markedly on the number required. The 200 Prairie girls being moved to B.C. for fruit picking were about half the number transferred last year. A sufficient number of Maritime and Prairie farmers appeared to be coming into Ontario for haying. Last year, this movement was decidedly hard-pressed for workers.

Students as a group have been one of the first to feel the pinch of fewer jobs. With the emphasis on cost-cutting this year, many employers were re-arranging staffs for holidays or their busy season rather than hiring temporary help. Others were looking for more experienced workers, or ones available for a longer period of time. Construction firms and offices showed considerable reluctance to hire summer workers but regular seasonal jobs in food processing, summer tourist camps, mining, and various outdoor activities were still largely filled by students. University students for the most part had been absorbed, but the outlook for high school students was not bright. Their registration appeared to be the main cause for the rise of 3,000 in unplaced applicants during the last week in June, the first gain reported in four months.

Table 1-Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                          | Average Weekly |               |             |
|---------------------------------|----------------|---------------|-------------|
|                                 | May<br>1949    | April<br>1949 | May<br>1948 |
| Applications <sup>x</sup> ..... | 31,000         | 30,000        | 30,000      |
| Vacancies Notified.....         | 26,000         | 24,000        | 29,000      |
| Placements.....                 | 16,800         | 14,100        | 16,400      |
| Women.....                      | 4,700          | 4,300         | 4,300       |
| Veterans.....                   | 3,100          | 2,700         | 3,800       |
| Handicapped.....                | 280            | 255           | 305         |
| Executive and Professional      | 75             | 60            | 75          |

<sup>x</sup>Does not include renewals.

Table 11-Unplaced Applicants by Occupation and by Sex  
as at June 2, 1949, with percent change over the year

(Source: Form UIC 757)

| Occupational Group               | Unplaced Applicants |        | % Change From May, 1948 |        |
|----------------------------------|---------------------|--------|-------------------------|--------|
|                                  | Male                | Female | Male                    | Female |
| Clerical, Sales and Professional | 13,200              | 18,300 | - 4.4                   | + 5.2  |
| Personal and Domestic Service... | 9,900               | 6,500  | + 7.6                   | + 6.6  |
| Skilled and Semiskilled.....     | 42,000              | 7,700  | + 35.9                  | +11.6  |
| Textiles, clothing, etc.....     | 1,300               | 4,400  | +116.7                  | +41.9  |
| Lumber and wood products.....    | 2,300               | 100    | +53.3                   | 0.0    |
| Metalworking.....                | 6,400               | 300    | +39.1                   | -25.0  |
| Construction.....                | 10,000              | -      | +53.8                   | -      |
| Transportation (except seamen)   | 7,200               | -      | +24.1                   | -      |
| Other skilled and semiskilled.   | 14,800              | 2,900  | +24.4                   | -12.1  |
| Unskilled.....                   | 45,500              | 8,600  | +25.7                   | +13.2  |
| Food and tobacco.....            | 1,100               | 1,400  | +22.2                   | +30.0  |
| Lumber and lumber products....   | 1,900               | 300    | +46.2                   | +50.0  |
| Construction.....                | 6,500               | -      | +27.5                   | -      |
| Other unskilled.....             | 36,000              | 6,900  | +24.6                   | +27.8  |
| Other occupations.....           | 2,900               | 300    | +16.0                   | 0.0    |
| Total.....                       | 113,500             | 41,400 | +22.6                   | + 8.1  |



# INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR  
MARKET
- ▲ CURRENT LAY-OFFS  
IN MANUFACTURING  
INDUSTRIES

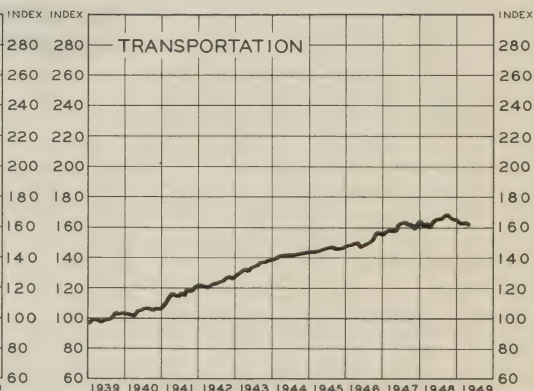
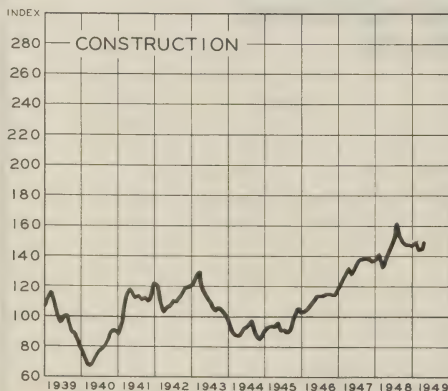
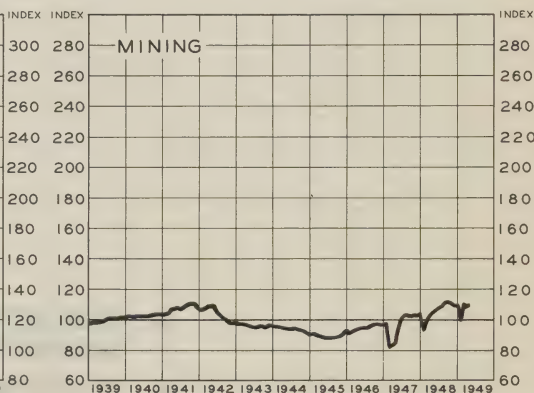
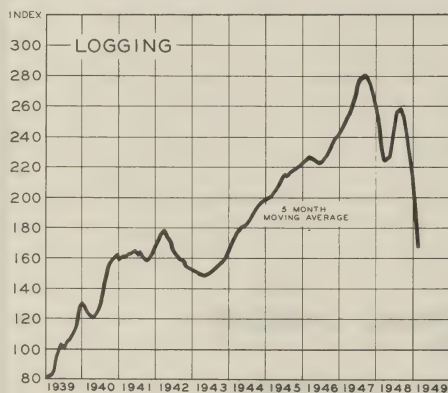
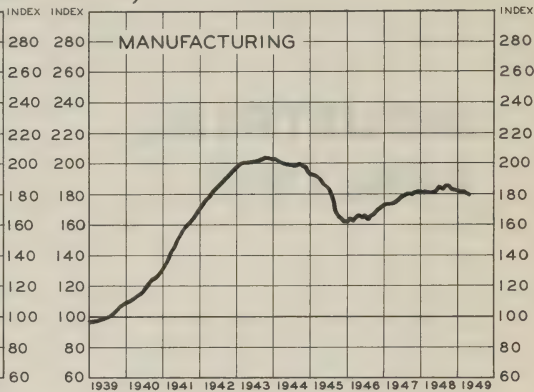
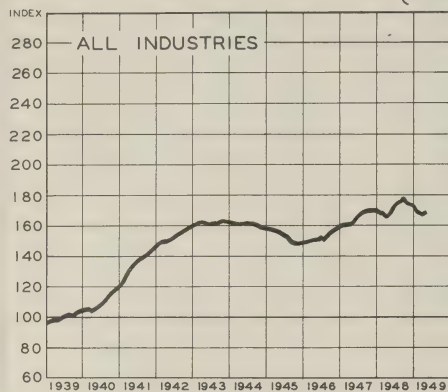


# EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

## SEASONALLY ADJUSTED

### FROM 1939 TO DATE

(AVERAGE 1939 = 100)



## INDUSTRIAL LABOUR MARKET

Estimates of employment in June for the industries listed below are well above the same time last year. Contrary to other post-war years, however, labour supply has been adequate to fill seasonal needs, even in agriculture and construction. A levelling off in manufacturing employment is expected with changing export markets. Some sections of mining may also be affected. Caution is evident in trade although trends varied from area to area.

### MANUFACTURING—

|                                      |           |
|--------------------------------------|-----------|
| Estimated employment (June).....     | 1,280,000 |
| Average weekly earnings (May 1)..... | \$44.45   |

Although employment in the manufacturing industry is expected to increase during the next quarter, the expansion will be much slower than in the past two years. Between October 1, 1947, and October 1, 1948, employment increased by 2.9 per cent; between October 1, 1948, and October 1, 1949, the increase is expected to be 0.5 per cent.

Several factors have been responsible for the cautious rate of employment growth now evident in the manufacturing industry. Much of the expansion of manufacturing facilities undertaken in the post-war boom has been completed and fewer new jobs are opening up. Contraction in domestic and foreign markets for the products of some industries has meant curtailment of hiring and even temporary lay-offs in some instances. Besides these external influences, greater efficiency of the working force within the industry as a result of improved industrial techniques and reduced labour turnover has also contributed to the lower demand for help.

While total manufacturing employment is slightly higher this year than last, a diversity of trends is evident in the individual industries. Employment has expanded almost one-third in aircraft manufacturing, with a corresponding decrease in shipbuilding. Other industries in which the trend of employment is slightly downward include primary to food, which has been adversely affected by the declining foreign market for flour; sawmills which has been hard hit by the reduction of British orders; and containers as a result in part, of decreased demand by fish packers in British Columbia and vegetable canners in Eastern Canada.

On the other hand, both textiles and clothing are thriving on a strong domestic demand, as are the furniture and electrical goods industries. Others in a strong position are the automobile and parts industries, construction materials, and petroleum products.

#### AGRICULTURE—

Estimated employment (June).....1,200,000

At the end of June, crop prospects across Canada were, in general, at least up to average, except in the drought areas of Ontario and the Prairie provinces. Local sources of supply were expected to yield enough workers to take care of further requirements in most areas, although D.P.'s were still in demand in many scattered districts, and organization of inter-provincial movements of seasonal workers was found necessary.

Agricultural workers from D.P. camps in Europe are still arriving in Canada, although not at the same rate as last year. About 200 single D.P. beet workers were brought to Canada in June, in addition to over 500 single men for general farm work and a few families.

Inter-provincial movements of farm workers followed last year's pattern, but the number of workers involved was apparently smaller. About two hundred women moved from the Prairie provinces to help in B.C. fruit picking operations in June and July. A small number of workers for haying operations were to be transferred to P.E.I. from the other Maritime provinces. The movement of workers to Ontario from the Prairie provinces and the Maritimes for haying operations was under way, but the number of workers involved was not expected to reach last year's total of about 1,100. In almost all of south-western Ontario, and in the Toronto area, the hay crop was extremely poor, due to the severe drought, and there was little demand for labour.

Eastern Ontario and the adjoining sections of Quebec also suffered from drought to some extent, but there was a steady demand for labour throughout June in most parts of this area. Farmers in the upper Ottawa Valley, which was little affected by drought, were especially interested in getting labour for haying from outside the province.

Most Prairie workers applying for work in Ontario came from the south-western section of Saskatchewan and the eastern part of Alberta. These areas have been especially dry. Other areas previously reporting drought conditions received rain in late June. The grass-hopper infestation appeared to be under control, and little damage was expected, except possibly in central Saskatchewan.



In the Pacific region, the labour supply was adequate in most areas. In the Fraser Valley, however, the strawberry crop was saved only after strenuous efforts to secure local labour proved effective. Workers from the Prairies also helped in this operation. A shortage of cherry-pickers developed in the Okanagan Valley when picking started at the end of June.

#### TRADE--

Estimated employment (June)..... 650,000  
Average weekly earnings (May 1)..... \$37.15

Early summer conditions in retail and wholesale trade appear to be somewhat spotty. Although dollar sales generally seem to be holding up, this is mainly apparent in the departmental stores while some of the smaller retail outlets are reporting a falling-off in trade. Fear of falling prices is keeping inventories at a low level and sales promotion activity is increasing.

The normal seasonal increase in employment in trade was evident in most sections of the country, although it was not always as high as earlier anticipated. In many cases, this was due to increased efficiency on the part of the sales organization, with more selective hiring now possible, rather than a falling-off in sales.

In British Columbia, wholesale and retail trade sales are reported to be at a higher level than at the same time last year. Expansion in this province continues although some firms express a fear of over-expansion. In the Prairie provinces, the situation varies although generally sales are a little higher than a year ago. Uncertain crop prospects have made customers wary of spending.

In Ontario and Quebec, wholesale and retail trade is slow in some parts and higher than last year in others. In the Maritimes the normal seasonal advances have not taken place. Movement in a number of seasonal lines has been slow and credit buying has increased.

#### CONSTRUCTION--

Estimated employment (June)..... 290,000  
Average weekly earnings (May 1)..... \$40.83

The employment situation in the construction industry varied considerably in the different regions through the country. In the Pacific, Prairie and Maritime regions, employment, though increasing seasonally, is not as high as at this time last year, and the peak is expected to be below that of 1948. In the smaller centres of Ontario,



the situation is somewhat similar, although larger cities such as Toronto report only a slight decline from the same period last year. In contrast, reports from Quebec indicate that, as anticipated, the industry is expanding to a high level of employment after a slow start.

In the eastern and western sections of the country, the decline from last year is due in large part to a falling-off in residential construction, although many new public works projects of the provincial and municipal governments are taking up the slack. In the central provinces, this trend is not so marked. In the province of Quebec residential building is very active, and in Toronto it is expected to be well above last year's levels, in contrast to a decided decline in industrial construction.

In general, labour demand and supply seem to be in much better balance. The shortages of skilled workers which have appeared at this time in the past years, are absent this year, except in a few areas. Supplies of construction labourers seem to be more than adequate to meet the needs of the industry. In those areas where emphasis has shifted to highways and public works projects, new heavy equipment has tended to reduce the demand for the unskilled labour.

#### MINING—

Estimated employment (June)..... 84,000  
Average weekly earnings (May 1)..... \$49.68

The recent fall in prices of base metals has not yet had any serious effect on employment in the mining regions of Canada. Current prices for zinc, copper and lead, still well above those of the war and prewar years, are high enough to make operations at current levels profitable.

A great deal of the future of the industry, however, depends on the level of industrial activity in Canada and the United States in the next year, and particularly on the trend in public utilities such as transportation and electrical power stations. In Canada, expansion in this industry is expected to continue throughout this year.

The current adjustment of export markets to the United Kingdom and Europe will also undoubtedly affect base metals to some extent. While the potential demand of these countries is great, dollar difficulties may make it impossible for them to import as much as they need. The recently announced cut in United Kingdom imports from Canada is likely to have some effect on copper production, since a large proportion of Canadian exports of copper ingots are sent to Britain.

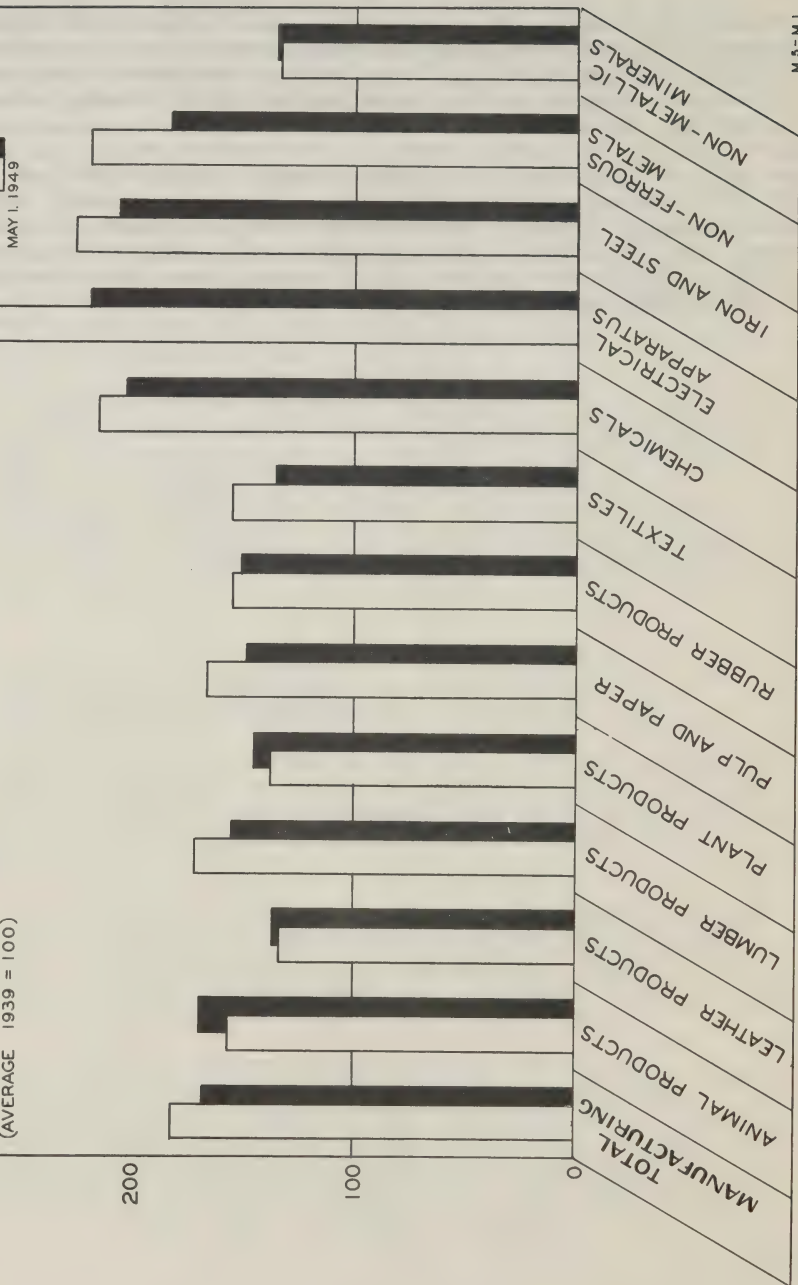
With the ending of the strike, production of asbestos is returning to normal. The strikers went back to their jobs on the understanding that wage rates and other issues would be submitted to arbitration if negotiations did not bring a settlement. Employment in the coal mines in the Maritimes remained fairly steady, although in Alberta, the miners were working short time, while making preparations for fall and winter orders. In the Ontario region, the 1,000 men laid off recently in the Sudbury nickel industry have been placed in other jobs without much difficulty. In British Columbia, exploration activity of mining companies has been the highest in recent years, and, if present prices are maintained, employment will increase in the future in this region. In all mining areas, there seems to be a fair balance between labour demand and supply.

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# **CHANGES IN MANUFACTURING EMPLOYMENT CANADA, AND BY INDUSTRY** (AVERAGE 1939 = 100)

AVERAGE 1946  
MAY 1, 1949

(AVERAGE 1939 = 100)



## CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

Lay-offs for reasons other than seasonal during June amounted to 3672, a drop of 671 from the previous month. Ninety per cent of these were the result of lack of orders. Staff reductions were heaviest in the pulp and paper industry (chiefly pulp for the manufacture of rayon), iron and steel manufacturing, and electrical apparatus manufacturing. Lay-offs due to strikes totalled 66 compared to 2118 the previous month.

Reported non-seasonal lay-offs in manufacturing industries during June totalled 3672. Although the actual number of staff reductions was higher during May, nearly half of the 4,343 persons laid off in that month were automobile workers temporarily unemployed because of the Ford strike in the United States. Ninety-five per cent of the lay-offs during June were caused by shortages of orders, with the remaining 5 per cent almost equally divided among shortages of orders, strikes and other causes. Although the number of workers having their work week shortened is not shown in the accompanying table, reports received from N.E.S. offices throughout the country indicate that fewer persons were put on short-time during June than in May.

Lay-offs because of shortages of orders were heaviest in the pulp and paper manufacturing industry. Two large pulp mills in British Columbia closed down during June following the recent slump in the United States rayon market, and paper manufacturers in Quebec also experienced minor cut-backs. Staff reductions in the iron and steel manufacturing industry remained high during June; among the firms affected were agricultural implement manufacturers, primary iron and steel producers, and a gasoline lamp and stove manufacturer. Shortages of orders were responsible for sizeable staff reductions in electrical apparatus manufacturing; one large manufacturer of telephone and radio equipment has laid off 400 workers permanently. The release of nearly 300 employees of a northern Ontario nickel refining plant due to lack of orders accounted for a major part of the lay-off of 387 in non-ferrous metals.

The 60 persons laid off because of shortages of material were employees of a Quebec saw mill which had used up its supply of timber and was forced to suspend operations pending the surveying of a recently purchased wood lot.



Table I—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off        | June, 1949 <sup>(1)</sup> |          | May, 1949 |         | April, 1949 |          |
|-------------------------|---------------------------|----------|-----------|---------|-------------|----------|
|                         | Number                    | Per Cent | Number    | Percent | Number      | Per Cent |
| Shortage of orders..... | 3,485                     | 94.9     | 2,003     | 46.1    | 2,793       | 80.8     |
| Shortage of material... | 60                        | 1.6      | -         | -       | 155         | 4.5      |
| Strikes.....            | 66                        | 1.8      | 2,118     | 48.8    | 20          | 0.6      |
| Other.....              | 61                        | 1.7      | 222       | 5.1     | 486         | 14.1     |
| Total.....              | 3,672                     | 100.0    | 4,343     | 100.0   | 3,454       | 100.0    |

(1) Preliminary figures

Table II—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                              | June, 1949 |          | May, 1949 |          | April, 1949 |          |
|---------------------------------------|------------|----------|-----------|----------|-------------|----------|
|                                       | Number     | Per Cent | Number    | Per Cent | Number      | Per Cent |
| Food and Beverages.....               | 165        | 4.5      | -         | -        | 40          | 1.2      |
| Tobacco Products.....                 | -          | -        | -         | -        | -           | -        |
| Rubber Products.....                  | -          | -        | 70        | 1.6      | 100         | 2.9      |
| Leather Products.....                 | -          | -        | 15        | 0.3      | 36          | 1.1      |
| Textile Products.....                 | 212        | 5.8      | 66        | 1.5      | 821         | 23.8     |
| Clothing.....                         | 171        | 4.7      | 148       | 3.4      | 46          | 1.3      |
| Wood Products.....                    | 223        | 6.1      | 373       | 8.6      | 271         | 7.9      |
| Paper Products.....                   | 1,048      | 28.5     | 218       | 5.0      | 267         | 7.7      |
| Printing and Publishing               | -          | -        | -         | -        | 111         | 3.2      |
| Iron and Steel Products               | 760        | 20.7     | 769       | 17.7     | 593         | 17.1     |
| Transportation Equipment              | 138        | 3.7      | 2,597     | 59.8     | 1,013       | 29.3     |
| Non-Ferrous Metals.....               | 387        | 10.5     | 20        | 0.5      | 57          | 1.7      |
| Electrical Apparatus...               | 568        | 15.5     | -         | -        | 14          | 0.4      |
| Non-Metallic Mineral<br>Products..... | -          | -        | 16        | 0.4      | -           | -        |
| Chemical Products.....                | -          | -        | 35        | 0.8      | 70          | 2.0      |
| Miscellaneous.....                    | -          | -        | 16        | 0.4      | 15          | 0.4      |
| Total.....                            | 3,672      | 100.0    | 4,343     | 100.0    | 3,454       | 100.0    |

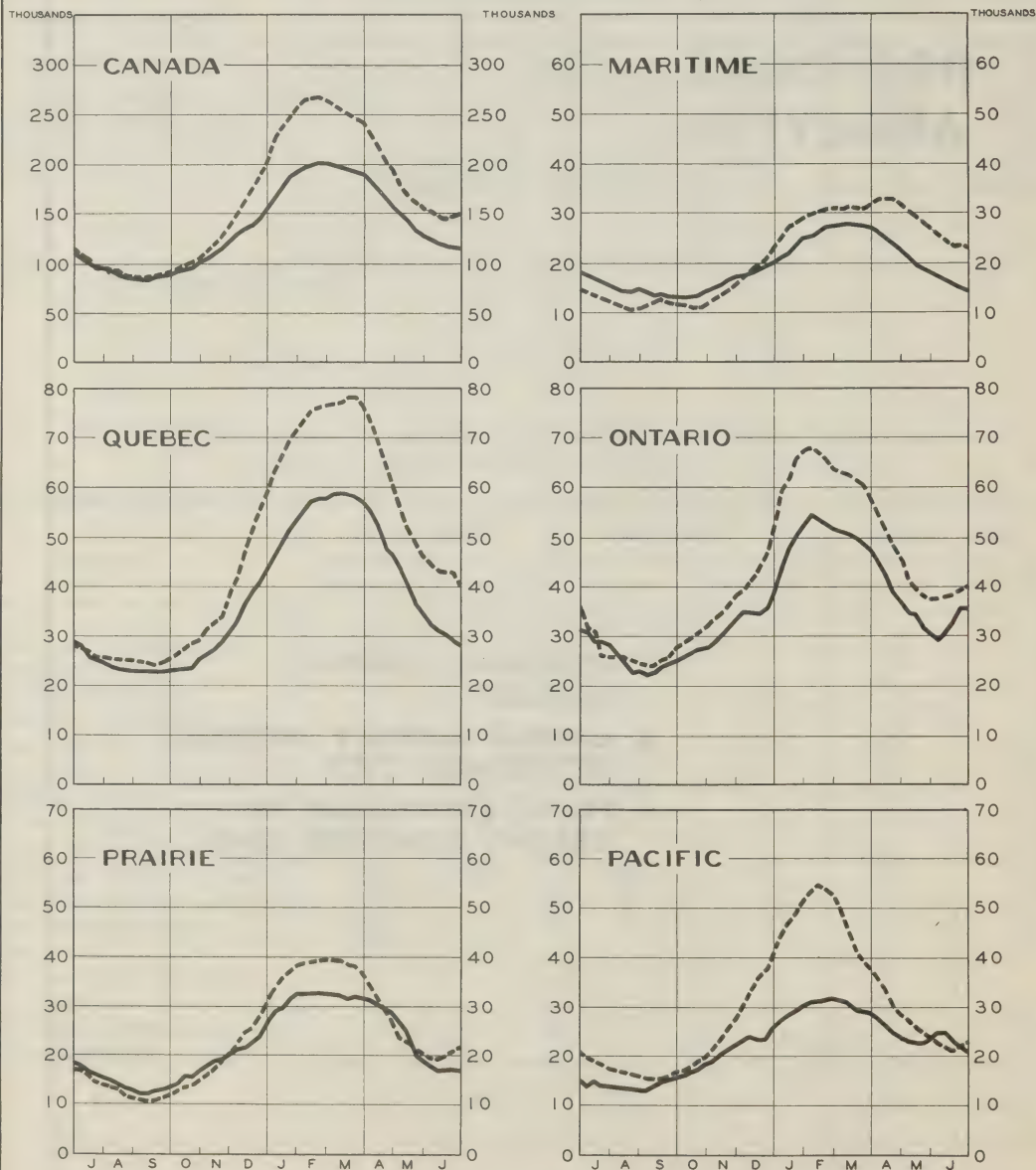
# REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR  
MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ PLANT EXPANSION IN  
SECOND QUARTER, 1949

# UNPLACED APPLICANTS

AS REPORTED BY  
NATIONAL EMPLOYMENT SERVICE

— JULY 1947 - JULY 1948  
- - - JULY 1948 TO DATE



## REGIONAL LABOUR MARKET

Although seasonal activity was well advanced in all regions, there has been less increase in employment than was anticipated. A labour surplus continued in the Maritimes and developed in British Columbia due to disruptions in the seasonal pattern caused by poor weather and fire hazards. The effect of seasonal expansion in both Quebec and Ontario was counter-acted to some extent by curtailment in manufacturing. In the Prairies, a healthy balance of labour demand and supply prevailed.

### THE MARITIMES.....

Despite seasonal increases, employment in all four Maritime Provinces featured irregularities, with scattered pockets of unplaced workers. There was considerable unemployment reported from the Summerside area of P.E.I. due to the early closing of some fish processing plants. Crop prospects were, on the whole, good but increased demand for farm labour was not expected. Farm workers were being sent from Cape Breton to Prince Edward Island and Ontario.

Fisheries either started well and then fell off, or started poorly and later improved. A rough preliminary estimate places Newfoundland's 1949 fish output at least 20 per cent below that of 1948 to the end of June. Gaspereau fishing in New Brunswick provided work for increased numbers, with a relatively steady market in the U.S. for this new catch. Processing plants were generally on short time, or closed much earlier than last year, except in the Halifax area, where they operated at capacity with full employment.

Forestry and logging operations were seasonally reduced, with only slight labour turn-over. In some areas, spotty surpluses of woods workers were partially absorbed into local agriculture. Mining operations, too, were quiet, with many mines on short time and one or two shutting down. Little change is expected for some time.

There was average to high activity in manufacturing in most areas, with some short time being worked and one or two lay-offs threatening. Employment remained depressed at the Halifax Shipyards, despite a temporary halt in the progressive lay-off that began some months ago.



Less employment, on the average, than had been anticipated resulted from the seasonal increase in construction activity in June. Shortages of skilled construction workers developed or were foreseen during the month, but unskilled workers were unplaced in some areas.

Waterfront activity in Halifax continued seasonally low, while other ports were satisfactorily busy. Railways laid off some train employees in New Brunswick, and reduced extra gangs were put out on maintenance work.

#### QUEBEC.....

Crop prospects are good in most areas of Quebec, but there has been average to low demand for agricultural workers, with spotty shortages of farm labour. Forestry and logging activity was about average for the season, with slight demand for labour that was readily obtainable. The usual demand for bushmen in the U.S., normally supplied by Quebec workers, was reduced due to fire hazards, and although some workers crossed the border, it was not until much later than in previous years.

Mining activity was quiet. Labour was required only as replacements for normal separations. Semi-skilled and unskilled workers were obtainable locally in most cases, but skilled workers had to be sought outside the mining areas. A shortage of experienced underground miners developed. Production of asbestos continued its climb from the low point of the strike, with striking miners returning to work.

The general picture in manufacturing was one of declining activity due to shortages of orders and vacation shut-downs. Some lay-offs occurred, and there were a few enforced shut-downs which were expected to last perhaps two or three months. Shortages of materials still affected the heavy industries.

Construction activity, which began slowly and reflected the uncertainty of the election period, increased to average or better for the period. The employment provided, however, was not as high as was expected, and no real difficulty was encountered in obtaining workers.

#### ONTARIO.....

Early fruit and grain crops were average to poor, due to drought and heat. Root crop harvest expectations, however, are better. Farm labour requirements were reduced, and supplies were readily available in most localities, with scattered surpluses. Shortages of harvest workers are foreseen, and there has been little apparent interest shown by Prairie workers in job opportunities in the Ontario Harvest.

Packinghouse activity increased earlier than usual with the lack of pasturage forcing a rush of cattle to the markets. Heavy metals manufacturing was quiet. Shorter hours were being worked in some plants; a few lay-offs had occurred. Other manufacturing, on the whole, maintained production and employment at a good level, with very low labour turn-over.

Although many construction workers were of inferior quality, there was not much demand for new workers. Construction activity in all branches was brisk, but again not as high as had been expected. There was some turn-over among unskilled labour, and definite shortages continued in skilled workers, especially in the trowel trades.

Logging was quiet, and mining maintained steady production.

#### THE PRAIRIES.....

Despite poor starting weather, crops in most areas progressed satisfactorily. There was little difficulty in finding adequate supplies of farm labour locally. In some areas of Western Saskatchewan and Alberta, however, poor crop prospects kept the demand for farm labour below the available supply. Relatively little interest was displayed in the Ontario harvest excursion, and many orders from B.C. for fruit pickers were cancelled before they could be filled. Crop prospects are, on the whole, not as bright as for 1948. Pest damage was slight.

Construction activity was at a high level, although shortages of skilled workers -- especially carpenters and road

equipment operators -- plagued many contractors, and slow deliveries of cement held up work in some areas. The supply of semi-skilled and unskilled labour, while not generally excessive, was adequate in all areas.

Logging activity was maintained at a low level, as predicted. Government-guaranteed markets for its products encouraged some parts of the northern fishing industry to increase activity, but catches were small.

Short time work and some lay-offs were the rule in flour milling. The meat packing industry continued its seasonal slack period, although increased activity was found in some plants. The Manitoba Sugar Co. undertook to import sugar cane, the processing of which will extend the refinery's season several weeks.

Most coal mines remained on short time, with a few increasing hours for underground workers. Metallic mining continued with about average activity, with some demand for labour that was not difficult to obtain.

#### THE PACIFIC.....

Seasonal activity continued high, although in some industries, employment did not expand as much as anticipated. Weather conditions hampered fishing and forestry operations in some areas. There were some surpluses of unskilled workers, but employment opportunities for skilled workers were generally more numerous than applicants.

Heavy fruit crops created spotty shortages of pickers, with some being brought in from the Prairies. This movement, however, was smaller than in 1948. The supply of other agricultural workers was adequate.

Logging activity was seasonally high, although some temporary shut-downs occurred due to fires and fire hazards. There was the usual high rate of turnover in the smaller camps where conditions are poor and shortages of skilled workers developed in some areas. Some smaller sawmills shut down on account of fire hazards, labour turn-over and costs.

Mining activity continued fairly steady, with a high level of employment. Falling copper prices are worrying producers, and may lead to some work force reductions or shut-downs.

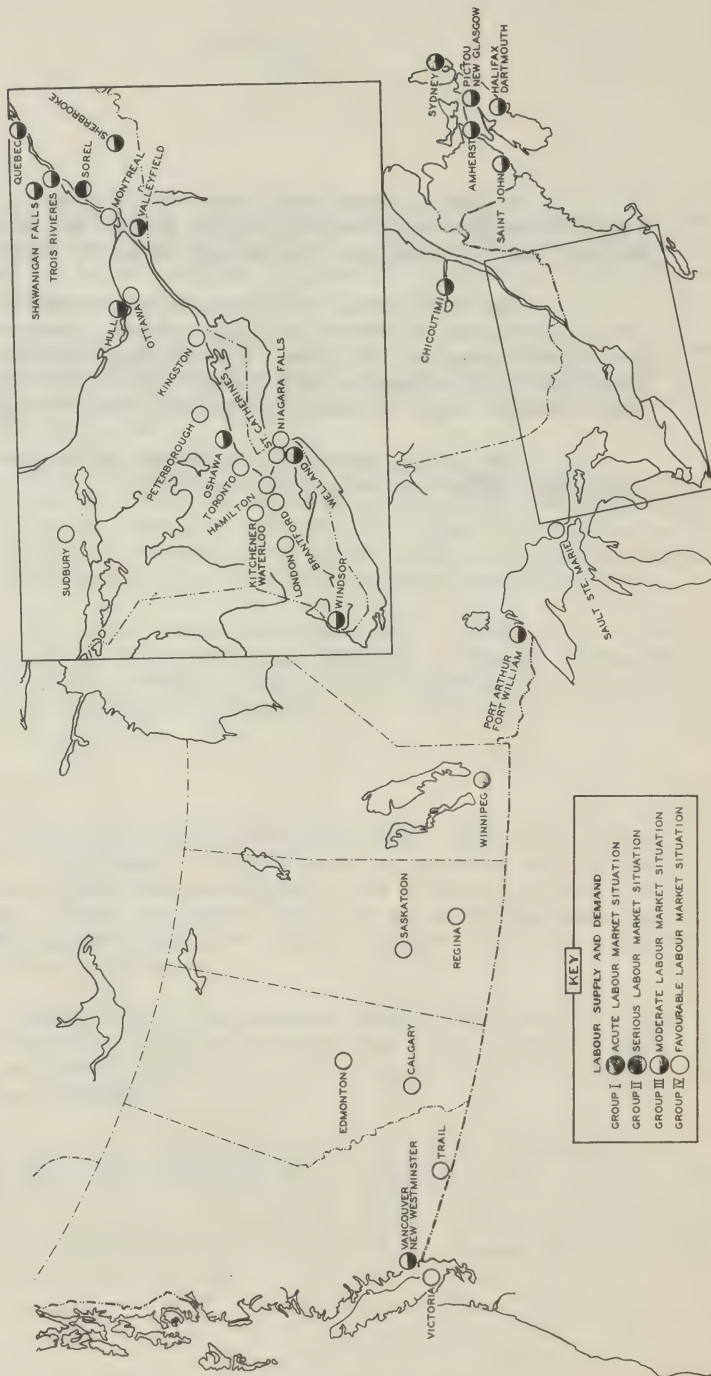
The high level of construction activity, especially on roads, continued to absorb skilled workers, where available, and to create vacancies for more. In building construction, high-level activity necessitated movements of skilled workers from the Vancouver area to points throughout the province.

The C.S.U. continued to picket ships, but apparently had little effect on waterfront activity.



# A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT JULY 1, 1949



## LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at July 1, 1949, at June 1, 1949, and at July 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for June and July of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>July 1,<br>1949 | Group Rating    |                 |                 |
|----------------------------------------|--------------------------|-----------------|-----------------|-----------------|
|                                        |                          | July 1,<br>1949 | June 1,<br>1949 | July 1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                          |                 |                 |                 |
| Quebec.....                            | 88                       | III             | III             | III             |
| Vancouver.....                         | 77                       | III             | III             | III             |
| Windsor.....                           | 58                       | III             | III             | III             |
| Winnipeg.....                          | 52                       | III             | III             | IV              |
| Calgary.....                           | 42                       | IV              | IV              | IV              |
| Victoria.....                          | 40                       | IV              | IV              | IV              |
| Ottawa.....                            | 33                       | IV              | IV              | IV              |
| Hamilton.....                          | 30                       | IV              | IV              | IV              |
| Edmonton.....                          | 27                       | IV              | IV              | IV              |
| Toronto.....                           | 26                       | IV              | IV              | IV              |
| Montreal.....                          | 25                       | IV              | IV              | IV              |
| <u>Population of 50,000 to 100,000</u> |                          |                 |                 |                 |
| Sydney.....                            | 146                      | III             | II              | II              |
| Fort William - Port Arthur.....        | 93                       | III             | III             | IV              |
| Saint John.....                        | 84                       | III             | III             | III             |
| Halifax.....                           | 72                       | III             | III             | III             |
| London.....                            | 22                       | IV              | IV              | IV              |
| Regina.....                            | 21                       | IV              | IV              | IV              |
| Kitchener - Waterloo.....              | 8                        | IV              | IV              | IV              |
| <u>Population of 25,000 to 50,000</u>  |                          |                 |                 |                 |
| Hull.....                              | 129                      | III             | III             | III             |
| Sherbrooke.....                        | 90                       | III             | III             | IV              |
| Oshawa.....                            | 83                       | III             | III             | III             |
| Shawinigan Falls.....                  | 74                       | III             | III             | IV              |
| Chicoutimi.....                        | 72                       | III             | III             | IV              |
| Three Rivers.....                      | 59                       | III             | III             | IV              |
| Brantford.....                         | 44                       | IV              | IV              | IV              |
| Kingston.....                          | 38                       | IV              | IV              | IV              |
| Saskatoon.....                         | 38                       | IV              | IV              | IV              |
| St. Catharines.....                    | 37                       | IV              | IV              | IV              |
| Peterborough.....                      | 30                       | IV              | IV              | IV              |
| Sudbury.....                           | 22                       | IV              | IV              | IV              |
| Sault Ste. Marie.....                  | 19                       | IV              | IV              | IV              |
| <u>Population of under 25,000</u>      |                          |                 |                 |                 |
| Sorel.....                             | 165                      | II              | II              | IV              |
| Pictou - New Glasgow.....              | 112                      | III             | II              | III             |
| Amherst.....                           | 88                       | III             | III             | III             |
| Valleyfield.....                       | 86                       | III             | III             | III             |
| Welland.....                           | 79                       | III             | III             | IV              |
| Niagara Falls.....                     | 25                       | IV              | IV              | IV              |
| Trail.....                             | 22                       | IV              | IV              | IV              |

## PLANT EXPANSION SECOND QUARTER 1949

Recent surveys reveal that investment in both monetary and physical terms is likely to remain high in 1949. The number of new jobs directly related to industrial expansion, however, is declining. In the second quarter of 1949, new jobs reported to the Department of Labour as a result of industrial expansion were down about one-third compared to the same period in 1948.

A review of industrial expansion in the second quarter of 1949 showed that at least 1,500 new jobs have resulted from plant completions during that period. Although the amount of industrial expansion is comparable with the second quarter in 1948, the employment resulting from it is down about one-third from last year.

Last year, in the second quarter, three large new plants were completed, which provided jobs for 1,200 workers. This year, there were no such large industrial expansion projects in this period. Five firms took on about 100 workers each and, of the remaining 33 cases, over 80 per cent hired less than 50 new employees.

The employment reported so far as a result of industrial expansion in the first two quarters of this year is down about 50 per cent from last year. The high value of contracts awarded for industrial building in the first quarter of 1949 was misleading, as far as employment effects were concerned, since four large projects, which will not be completed this year, accounted for 70 per cent of the value.

While employment created by industrial expansion is small in relation to the total manufacturing labour force, which is currently about 1,275,000, it is one of the major factors which determines the trend of current employment. In 1948, manufacturing employment increased by about 14,000. This was approximately equal to the jobs created by new plants and plant additions. In 1949, employment in manufacturing is not expected to increase and this can be attributed in part to the current decline in industrial expansion.



ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT  
AS A RESULT OF PLANT EXPANSION

- Third Quarter 1949 -

| Area              | Name of Company                          | Industry                    | Number of<br>New<br>Employees |
|-------------------|------------------------------------------|-----------------------------|-------------------------------|
| <u>Maritimes</u>  |                                          |                             |                               |
| Grand Manan, N.B. | McLaughlin Bros.                         | Food and Beverages          | 5                             |
| Newcastle, N.B.   | Fraser Companies Ltd.,                   | Paper Products              | 150                           |
| <u>Quebec</u>     |                                          |                             |                               |
| Montreal          | Royal Stewart Beverages Reg'd            | Food and Beverages          | 15                            |
| Montreal          | Canadian Tube & Steel<br>Products Ltd.,  | Iron and Steel Prod.        | 35                            |
| Sherbrooke        | Sheer Silk Hosiery Mills Ltd,            | Textiles                    | 80                            |
| Three Rivers      | Regent Shirts Man. Co. Ltd.,             | Textiles                    | 30                            |
| <u>Ontario</u>    |                                          |                             |                               |
| Chatham           | Donaldson Co. (Canada) Ltd.,             | Transportation<br>Equipment | 15                            |
| Cornwall          | Canadian Industries Ltd.,                | Chemicals                   | 6                             |
| Port Colborne     | Canadian Furnace Co. Ltd.,               | Iron and Steel Prods.       | 30                            |
| St. Catharines    | Welland Vale Man. Co. Ltd.,              | Iron and Steel Prods.       | 10                            |
| Toronto           | The Wella Corporation of<br>Canada Ltd., | Chemicals                   | 40                            |
| Toronto           | Ronson Art Metal Works<br>(Canada) Ltd., | Iron and Steel Prods.       | 150                           |
| <u>Prairies</u>   |                                          |                             |                               |
| Winnipeg          | Reid & Eibner, Ltd.,                     | Printing & Publishing       | 6                             |
| <u>Pacific</u>    |                                          |                             |                               |
| Chemainus         | Victoria Lumber Co. Ltd.,                | Wood Products               | 20                            |





A N A D I A N

# LABOUR MARKET

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August

1949

BAROMETRICS FILE " "

Government  
Publications

FEATURE ARTICLE.....

Current Employment  
Problems in Primary  
Iron and Steel.

Volume 5

Number 8





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CANADIAN LABOUR MARKET  
Research and Statistics Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

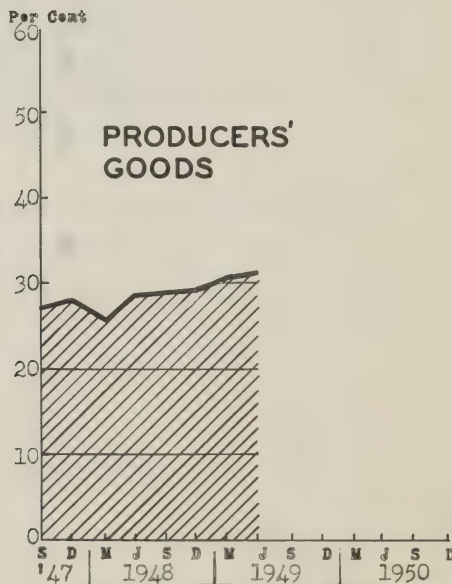
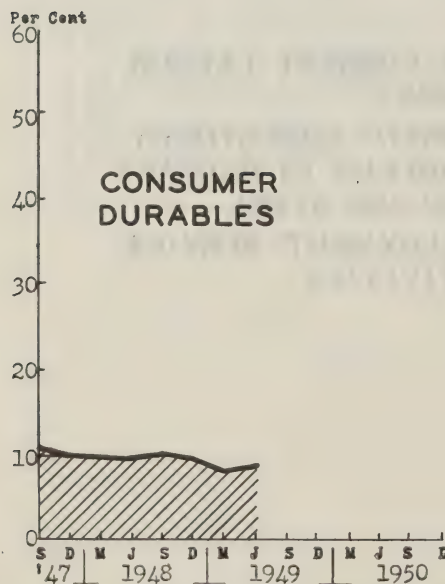
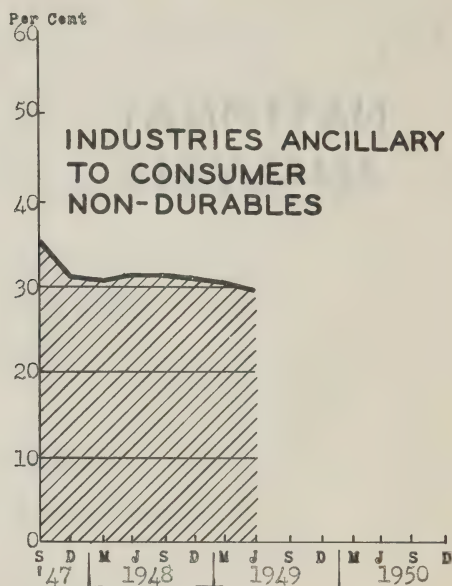
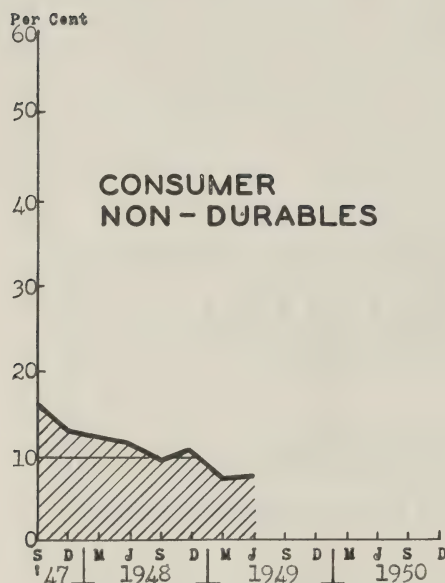
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

# NATIONAL ANALYSIS.....

- ▲ THE CURRENT LABOUR  
MARKET
- ▲ CURRENT EMPLOYMENT  
PROBLEMS IN PRIMARY  
IRON AND STEEL
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES



# PERCENTAGE MANUFACTURING EMPLOYMENT PRODUCING FOR EXPORT MARKETS



## THE CURRENT LABOUR MARKET

During July and early August, employment in Canada moved closer to its annual seasonal peak. Although the unskilled or handicapped seeking work faced stiffer competition than last year, as a whole, the employment situation was very favourable. Activity in construction, mining and the service industries was at record heights. On the other hand, re-adjustments of production to declining export markets has caused some dislocation in certain other industries, primarily manufacturing.

By the third quarter of 1949, the general employment situation in Canada was very favourable. Almost everyone who wanted to work was able to find a job as employment rose to 5,000,000 during the summer months. Compared with previous post-war years, however, no serious labour shortages existed; rather, there were small labour surpluses in a few sections of the country. With higher rates of pay than ever before, total labour income was 10 per cent greater than last year. Correspondingly, domestic purchasing power remained strong.

Several developments outside Canada, however, were threatening the employment outlook within. Chief among these was the growing seriousness of the international exchange situation. As a result of rapidly dwindling dollar reserves, the United Kingdom has already begun reducing imports from the "dollar area" by 25 per cent and will continue to do so until June, 1950. Other countries in the "sterling area" were taking similar action. Appropriations under the European Recovery Program were also being reduced. Cuts in purchases of Canadian goods have resulted as surpluses of various commodities built up in the United States, where a mild recession was under way.

The Canadian economy has been able to absorb the effects of these unfavourable developments to date without any major disruptions. Lay-offs have occurred in some industries (e.g. those producing farm implements, railway rolling stock, sulphite pulp and lumber), but expanding seasonal activities have provided jobs, temporarily at least, for most of the workers thus affected. Some plants have been working short time, but this practice has not become widespread enough to result in any decline in total labour income throughout the country.

Export markets for agricultural products are assured by United Kingdom contracts, until the middle of 1950. On the other hand, sales of lumber and wood pulp have fallen off markedly. Producers of these commodities, especially those located in the Maritimes and British Columbia, have been forced to reduce their staffs in some cases, close down in others.

Although manufacturing is not one of Canada's largest exporting industries, declining markets abroad will have some effect on production and employment. The chart facing page 5 shows the proportions of the work force in various manufacturing industries who are producing for the export market and indicates how this proportion has changed during recent months.

A steadily smaller proportion of employees in consumer non-durable goods industries are producing goods for exports. The major export commodities of these industries are processed fish, canned meats and alcoholic beverages, whose sterling area markets are being steadily narrowed by currency restrictions. Exports of flour have also fallen off in the first six months of this year, as E.R.P. appropriations for this purpose were reduced. The market for sulphite pulp in the United States has weakened considerably. Newsprint, too, is not as strong as formerly.

Amongst consumer durable industries, diverse trends are evident in the production of various commodities for export. While foreign demand for sewing machines and automobiles and parts remains strong, currency restrictions are reducing shipments of refrigerators, stoves and rubber products.

In respect to producer goods, the proportion of the labour force producing for export markets has not yet fallen off significantly, although prospects are not bright. Export orders for machinery, farm implements, brass sheets and tubing, and sawn lumber have already dropped considerably, due primarily to the exchange difficulties faced by foreign buyers.

Currently, extensive activities in seasonal industries have obscured the impact of reduced export markets on employment and the labour market. When seasonal activity terminates, however, the employment situation may reflect these adverse developments more clearly. This will be especially true if markets for many of Canada's export industries continue to decline.



SELECTED LABOUR MARKET TRENDS

| Indicator                                                | Latest Data |               | Percentage Change   |                           |                                              |
|----------------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                          | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration.....                                         | June        | 12,000        | + 30.3              | -21.9                     | - 6.6                                        |
| Civilian Labour Force (a)....                            | Mar.        | 4,899,000     | - 1.3               | + 1.5                     | + 1.5                                        |
| Total Employment (a).....                                | Mar.        | 4,700,000     | - 3.3               | + 0.7                     | + 0.7                                        |
| Total Unemployment (a).....                              | Mar.        | 199,000       | + 87.7              | +27.6                     | + 27.6                                       |
| Industrial Employment (b)....                            | June 1      | 2,113,000     | + 3.0               | + 2.1                     | + 1.8                                        |
| Unplaced Applicants (c).....                             | Aug. 1      | 139,200       | - 5.4               | +44.6                     | + 29.0                                       |
| Live Claims (d).....                                     | July 1      | 80,000        | - 16.1              | +42.3                     | + 41.4                                       |
| Labour Income.....                                       | May         | \$619,000,000 | + 2.0               | + 8.6                     | + 10.3                                       |
| Average Weekly Earnings (e)..<br>Av. 1946 - 100 (f)..... | June 1      | \$ 40.43      | - 1.9               | + 6.1                     | + 9.6                                        |
| Average Hourly Earnings (e)..<br>Av. 1946 - 100 (f)..... | June 1      | \$ .99        | + 0.5               | + 8.4                     | + 10.7                                       |
| Real Weekly Earnings<br>Av. 1946 - 100 (f).....          | June 1      | 103.0         | - 2.6               | + 2.0                     | + 4.0                                        |
| Average Weekly Hours (e).....                            | June 1      | 40.8          | - 2.4               | - 2.2                     | - 1.0                                        |
| Cost of Living<br>Av. 1935-39 - 100.....                 | July 1      | 162.1         | + 1.0               | + 3.3                     | + 5.1                                        |
| Man Working Days Lost by<br>Strikes.....                 | July        | 58,000        | - 59.1              | -25.6                     | + 36.1                                       |
| Industrial Production<br>Av. 1935-39 - 100.....          | June        | 187.2         | + 0.8               | + 4.3                     | + 1.3                                        |

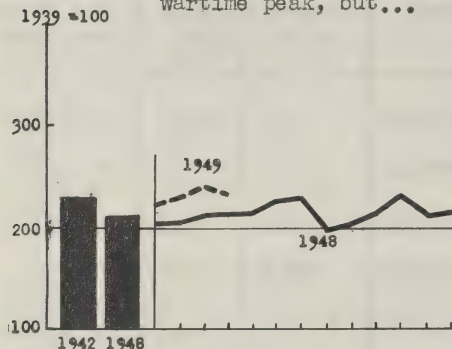
- (a) Estimated on basis of a one per cent sample of the population.  
 (b) Based on firms of 15 or more workers in nine leading industries.  
 (c) Registered with National Employment Service Offices.  
 (d) Ordinary Claims only.  
 (e) Wage earners in manufacturing only.  
 (f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.



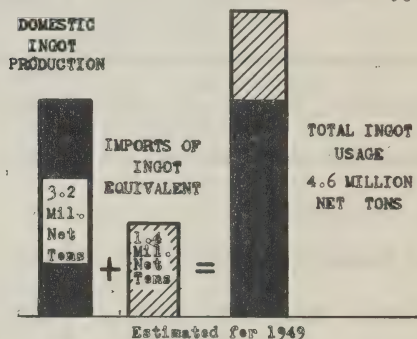
# PRIMARY IRON AND STEEL

## PRODUCTION

is currently above wartime peak, but...

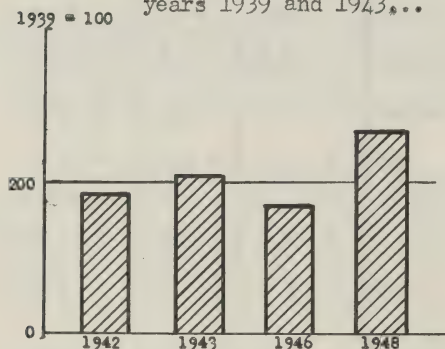


imports are still needed to fill current demand...

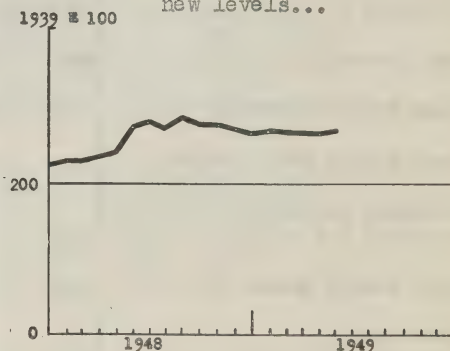


## EMPLOYMENT

doubled between the years 1939 and 1943...

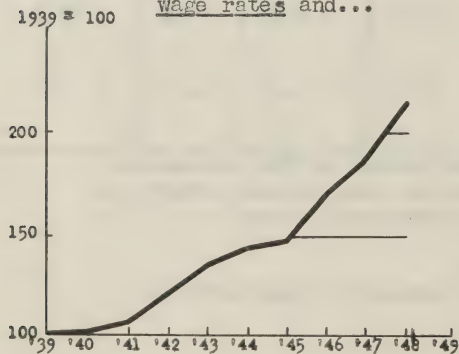


and has since reached new levels...

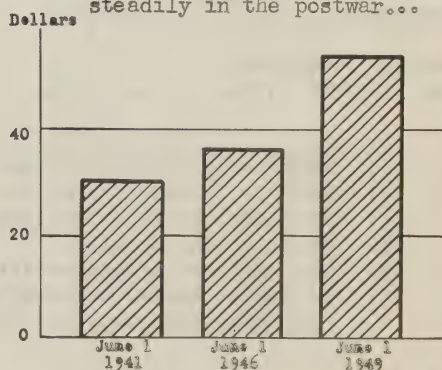


## LABOUR INCOME

has increased: both wage rates and...



weekly earnings have risen steadily in the postwar...



## CURRENT EMPLOYMENT PROBLEMS IN PRIMARY IRON AND STEEL

Provided increased American competition can be met, and a solution found to the British dollar problem, the immediate outlook is for a continued high level of employment in the primary iron and steel industry. However, changing conditions, of which the emergence of a sellers' market for steel is an example, may mean the industry's labour force will be faced with such special problems as intermittent employment in the near future.

The development of the basic iron and steel industry in the past decade is in respects typical of that of many of the mass-production industries which have shared in Canada's industrial development. The relationship between the steel industry and Canadian industrialization is particularly close because the supply of steel has been no less basic to the postwar expansion than to the war effort. With the world steel shortage pressing heavily on American supplies, Canadian industry has been forced to depend to an increasing extent on domestic production for the materials essential to its reconversion and expansion programmes.

During the war, output in the primary iron and steel industry doubled, and capacity increased about 60 per cent. Although some of this increase was achieved by practices which were uneconomical in peacetime, most of it came from the installation of new capital equipment. The number of blast furnaces increased from 10 in 1939 to 14 by the end of the war, a new plate mill was erected, and steel furnace capacity rose from 2 million tons of ingots in 1939 to 3.2 million tons in 1948.

The steel labour force has grown correspondingly. In 1939, there were some 15,000 steel workers employed in the primary industry; at the present time, there are over 35,000.(1) Between 1939 and 1943, employment almost doubled. Although there was some decline between 1943 and 1946, when the index fell from 124.2 to 112.5 (June 1, 1941 = 100), by the beginning of 1947 an upward trend was once more visible. The index increased from 123.0 in March, 1947, to 134.2 in the following April and, by September, 1948, had reached 147.7. Since that time, employment seems to be levelling off at a slightly lower figure: the June, 1949 index stands at 144.3.

(1) Since the employment figures of the "Crude, rolled and forged industry" are currently being revised, it is impossible at the moment to obtain an exact comparison between prewar and present employment. The revision does not affect the employment indices, however.

Through higher wage rates and earnings, the steel labour force has shared in the industry's prosperity. Wage rates rose by 115 per cent from 1939 to 1948; average per capita weekly earnings have increased from \$30.90 in June, 1941, to \$54.66 in June, 1949. The steel worker has profited not only from higher rates of pay, but also through steadier employment. The need for capacity production has almost completely removed the short work-week and the intermittent employment throughout the year, which were characteristic of the industry in the 1930's.

It was during the war period that the United Steel Workers of America emerged as the spokesman for the Canadian steel worker. In 1937, its membership amounted to little over 8,000, and it had no contracts with major steel producers. At the present time, there are over 40,000 members, some of whom are employed in the steel fabricating industry, and union contracts with the leading steel employers cover a majority of workers in basic steel.

After the prolonged strike of 1946, industrial relations in the industry have improved, and this year, contracts were signed with the major producers without serious threat of a work stoppage. Though the union did not gain its chief demand for pensions and a welfare programme, in the leading plants it did succeed in reducing the work week from 48 to 44 hours with no loss in take-home pay. In the past few years, the United Steel Workers of America has played a major role in the councils of the Canadian Congress of Labour.

But prosperity in the steel industry is always accompanied by an undercurrent of uneasiness about the future. The "boom or bust" pattern of capacity production alternating with under-employment and idle equipment is characteristic of primary steel production in industrial countries. All of the leading steel users, the manufacturers of producers' goods, the construction industry, the consumers' durable goods industries, are themselves very sensitive to fluctuations in business conditions. In a prosperous period, much of the demand for steel results from industrial expansion, and this is likely to fall off very sharply when business confidence collapses and be relatively slow to recover. At the same time, the productive capacity of the industry is difficult to adjust to fluctuations in demand, since its capital equipment consists of large and expensive units. A blast furnace costs several million dollars, and the costs of such productive units as rolling mills and coke ovens are on a comparable level.



The combination of heavy capital equipment, high overhead costs, and sharp fluctuations in demand, make the problem of adjusting to a severe steel shortage particularly difficult to solve. Steel is basic to full production and high levels of employment in an industrialized economy. But the steel producer is cautious about expanding his capacity by the installation of costly productive units to meet what well may be temporary and abnormal conditions, for fear that he may be faced with an excess of unused capacity when the immediate crisis is past.

To a considerable extent, the employment level in the basic iron and steel industry will depend on the demand for steel in Canada, in relation to the expanded productive capacity of the industry. But the steel demand and supply situation can be best understood through a discussion of the particular difficulties of the industry arising out of the location of iron ore and coal resources, its closeness to American steel producing centres, and the circumstances of its development. It should then be possible not only to assess the immediate prospects for the general level of employment in the primary industry, but also to bring into focus special employment problems which have been in the background for the past few years.

#### The Primary Iron and Steel Industry in Canada

There is considerable difficulty in drawing a definite line between the primary iron and steel industry and steel fabrication, and published statistics differ in their definition. For purposes of this article, we will consider the primary industry to consist of the production of pig iron in blast furnaces, the making of steel ingots, either in open hearth, bessemer or electric furnaces, and to include the production of steel sheet, plate, rails and structural shapes in rolling mills, and the manufacture of steel tubing, steel castings and forgings.(1)

From the beginning, the primary iron and steel industry has developed in relation to Canadian demand, and even to-day it produces largely for the domestic market. The industry was firmly established in Canada in relation to the railway building and the construction industry during the "wheat boom" of 1900 and 1913. During the 1920's the industrial development of central Canada, especially that connected with the automobile, resulted in another period of growth. Although during this latter period there was a considerable increase in the varieties of steel produced, some important sections of the industry outside the central provinces remained specialized in rails, and certain varieties of structural steels.

(1) This is the classification of the Employment Statistics Branch of the DBS.



When the special needs which the industry had originally been designed to meet disappeared, the disadvantages resulting from the unfavourable location of Canadian iron ore and coal resources became apparent. In contrast to most industrial countries, the iron ore and coal deposits of Canada are separated by a thousand miles of territory. The three largest producers, which together account for over 80 per cent of Canadian steel ingot production, are located in different areas, each with some special advantage, each with some special problems. The section of the industry near Sault Ste. Marie is close to iron ore deposits around Lake Superior, but is far from markets and scrap supplies. The industry in Nova Scotia has rich coal deposits close at hand, but is most distant of all from markets in central Canada. The plants in the industrial sections of Ontario and Quebec are perhaps most fortunately situated near markets and supplies of scrap, although they have to pay a heavier transportation charge for supplies of iron ore. Specialization, and high costs, have made it very difficult for the Canadian industry to meet competition from the United States. Neither tariffs nor subsidies have been able to offset entirely the advantages of the efficient American industry, situated close to the leading Canadian manufacturing centres in Ontario and Quebec.

The Canadian steel worker, no less than the steel producer, has felt the effects of these particular Canadian problems. In some localities, employment in the steel industry accounts for some 75 per cent of the total, and there is little alternative employment in the surrounding region if the demand for steel falls off. In addition, the high costs arising out of unfavourable location of some sections of the Canadian industry, have made it difficult for the workers there to bring their wages up to levels comparable with that of their fellows in more advantageous localities. The problem of wage differentials was a recurrent one during the war, and created serious problems for the wage control machinery.

The war and postwar developments have done little to remove the fundamental disadvantages inherent in the location of Canadian iron ore and coal supplies. But to some considerable extent the progress in the last ten years has left the industry in a better position to meet its problems. The world steel shortage, and in particular, the pressure on American supplies, has forced the Canadian industry into a greater diversity of product. In the postwar, the primary iron and steel industry has developed, not for a few specialized demands, but to supply the needs of a growing and increasingly diversified industrial economy. Wartime pressures, and the continuing postwar demand for as much steel as could be produced, has enabled the industry to take the risk of installing the large units of capital equipment required. Considerable

modernization of obsolete equipment has taken place, and although much remains to be done in this direction, the industry has emerged from the war in a much better position to meet American competition.

In spite of these improvements in productive methods, and the increase in capital equipment, the industry has been able to avoid over-expansion in relation to demand. The industrialization of Canada has greatly increased its steel-using capacity; population growth, improved living standards, new industrial demands, such as the oil development in the western provinces, may raise the demand for steel still further. The estimated steel ingot usage for 1949 is 4.6 million net tons, of which about 1.4 million net tons of ingot equivalent is imported from the United States. In view of these important changes both in the industry and in the Canadian economy, it is not likely that the primary iron and steel industry will be forced to reduce its permanent labour force to prewar size.

#### The Current Situation

The basic situation in the primary iron and steel industry, then, seems favourable, and judging from the demand for steel in Canada, the immediate prospects are for a continued high level of employment. In spite of a decline in export markets for some consumers' durable goods, there has not yet been any serious falling off in the demand for steel. The market for many producers' goods remains strong, and the automobile industry expects to be kept operating at high levels for the remainder of the year to fill domestic demand. Capacity operation by leading steel producers, plus heavy imports of surplus American supplies, have not yet resulted in a surplus of steel in Canada, though demand and supply are in better balance than at any time in the past ten years.

But there are two question marks for the immediate future which may affect the level of employment in Canada. The first is American competition which is likely to become much more severe as the unofficial tariff barrier of the steel shortage disappears with more plentiful supplies in the United States. Should American steel prices decline from their present high levels, the competitive pressures would of course increase. Though the need for American supplies at present production levels of Canadian industry implies a margin of safety for Canadian steel producers if demand in Canada should slacken, the protection is not quite so great as the volume of American imports would indicate. In spite of greater diversity in production, there are still certain types of steel, particularly the steel alloys, which cannot be produced economically in Canada, because of the high costs of specialized equipment, and the relatively small Canadian market.

The second source of uncertainty in the immediate future is the effects of the British trade crisis on the Canadian economy. Although the steel industry does not produce a great deal for the export market, it would be indirectly affected insofar as serious reductions in our export markets would lead to a decline in business confidence, the curtailment of industrial expansion, and a reduced demand for consumer and producer durable goods.

#### Special Employment Problems

Even if the general level of employment in the primary iron and steel industry should remain high, special employment problems which have been obscured by the urgent demand for steel are likely to emerge. Though the demand for steel remains strong, there is little question that the sellers' market is being replaced by a buyers', and that competition is becoming keener.

Insofar as this competition is met by improved production methods, it has important future implications for the steel worker. In the past few years, emphasis on capacity production has made it easy for the industry to absorb any workers directly affected by new processes—for example, labourers replaced by mechanical loading systems. Where new techniques have enabled the industry to produce more steel per worker, no unemployment has resulted, since the market could absorb the increased steel output. But if the emphasis should shift from all-out production to reduction in costs, it is quite possible technological unemployment will begin to appear. The industry's location in widely separate areas is likely to increase the social and monetary cost of finding alternative employment. Not the least of these is the loss of seniority, especially for the older skilled worker with long years of service in one plant. The effect on the individual will be related in part to the type of seniority systems evolved by labour and management.

The second problem is that of intermittent employment which was characteristic of the primary industry before the war. In recent years, the steel users, particularly the consumer durable goods industries, have been filling a backlog demand. Because this has tended to obscure the seasonal pattern of their production, it has also eliminated intermittent employment in the steel industry to a large extent. Production in the steel industry has always been to order: there is little anticipation of demand and storing up of supplies. Once the backlog demand is filled in the steel using industries, there is every possibility that orders for steel will reflect the seasonal pattern of steel users, and the prewar problem of intermittent employment in the steel industry will reappear.



## EMPLOYMENT SERVICE ACTIVITIES

The month of July was relatively quiet at employment offices. Placements slowed up and unplaced applicants showed no appreciable decline. The labour market remained fairly balanced between workers and jobs with sufficient mobility in the labour force to overcome various dislocations which developed. The only outstanding demand for workers was in the service industries where personal service workers, as well as domestics, were in short supply.

The mid-summer lull in placement operations prevailed during most of July. As usual at this time, new applications reached their yearly low and demand for labour fell off because of holiday shut-downs. In addition, increasingly selective placement has been necessary this year because of the high standard of applicants being requested by employers. From preliminary information, placements during July appeared to be down from both the previous month and year.

With unplaced applicants declining only slightly during July, the 140,000 on file at the end of the month remained well above last year's level of 96,000. Almost all the increase took place among applicants seeking unemployment insurance, and resulted chiefly from reduced logging operations and cut-backs in manufacturing. In many of the smaller centres of New Brunswick, in Sorel and Chicoutimi in Quebec, in Brantford and Fort William in Ontario and Nanaimo in British Columbia, the number unplaced have more than doubled over the year. The larger cities with more diversified economies showed much smaller proportionate gains.

Although excessive labour turnover has largely disappeared, the labour force has been sufficiently mobile to prevent many spot labour surpluses and shortages from becoming serious problems. In addition to organized movements of workers, as in agriculture, men have often moved on their own to where there have been more job opportunities. From poor crop areas of Saskatchewan and Alberta, for instance, surplus workers moved into Calgary and Edmonton and even into British Columbia. Similarly, Cape Breton workers moved to Prince Edward Island. In outlying districts of Canada, where population is small and labour difficult to obtain, the clearance machinery of the N.E.S. has done much to alleviate the shortages. Clearance has also been used to bring domestics from Newfoundland to Nova Scotia and fur designers from Great



Britain to Winnipeg.

Occupationally, also, the labour force has been adjusting to current conditions. Where occupations were becoming glutted, several offices noted that applicants were willing to change to other types of work. For example, a shortage of factory jobs for women brought a gradual shift to the service trades while applicants once seeking general clerical jobs were turning to industrial and other work.

The employment of students for summer work varied from area to area, depending on the prevailing labour situation and the extent of seasonal operations. In southern Ontario, particularly, the situation was favourable where fruit and vegetable farms and food canning plants can utilize student help to good advantage. One local office was forced to advertise for students to register in order to meet demand. On the other hand, some of the Prairie cities had few suitable jobs for temporary help.

Apart from few occupations, the only large pocket of labour shortage which now exists is in the personal and domestic service industries. Laundries, hotels and restaurants throughout the country are not only short-handed in many cases, but are also seriously handicapped by labour turnover. Unfilled jobs registered at employment offices in the personal service industries totalled 7,400 at the beginning of July. Little relief is expected until the closing of tourist resorts in the Fall. A more chronic shortage prevails in domestic service where labour needs remain high despite the 9,500 Displaced Persons already brought in for this work.

Table 1—Placement Operations of the National Employment Office

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                          | Average Weekly |             |              |
|---------------------------------|----------------|-------------|--------------|
|                                 | June<br>1949   | May<br>1949 | June<br>1948 |
| Applications <sup>x</sup> ..... | 32,000         | 31,000      | 32,000       |
| Vacancies Notified.....         | 23,000         | 26,000      | 27,000       |
| Placements,.....                | 15,500         | 16,800      | 16,600       |
| Women.....                      | 4,400          | 4,700       | 4,500        |
| Veterans.....                   | 2,600          | 3,100       | 3,600        |
| Handicapped.....                | 280            | 280         | 335          |
| Executive and Professional..... | 60             | 75          | 75           |

<sup>x</sup> Renewals not included

# **INDUSTRIAL ANALYSIS.....**

- ▲ **INDUSTRIAL LABOUR  
MARKET**
- ▲ **CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES**

# INDUSTRIAL DISTRIBUTION OF JOBS REPORTED TO THE NATIONAL EMPLOYMENT SERVICE

(Weekly Average Vacancies Notified)

JOBS REPORTED IN ALL INDUSTRIES  
ARE DOWN THIS YEAR FROM 1948.....

ALL INDUSTRIES

AGRICULTURE

LOGGING

MINING

MANUFACTURING

CONSTRUCTION

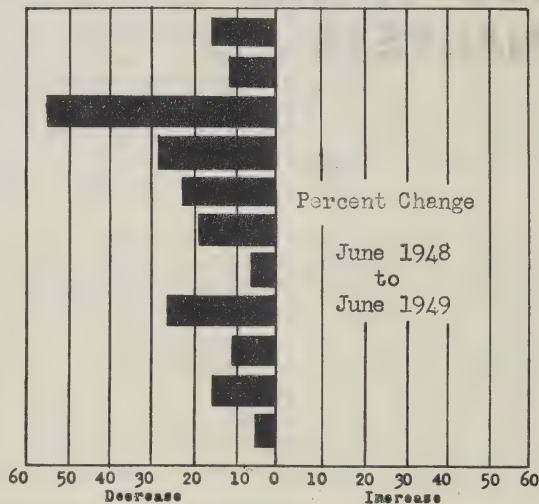
TRANSPORTATION

COMMUNICATIONS

TRADE

FINANCE, INSURANCE  
AND REAL ESTATE

SERVICE



BUT, EXCEPT FOR LOGGING, VACANCIES LISTED IN JUNE  
WERE SEASONALLY ABOVE THE WINTER LOW.....

ALL INDUSTRIES

AGRICULTURE

LOGGING

MINING

MANUFACTURING

CONSTRUCTION

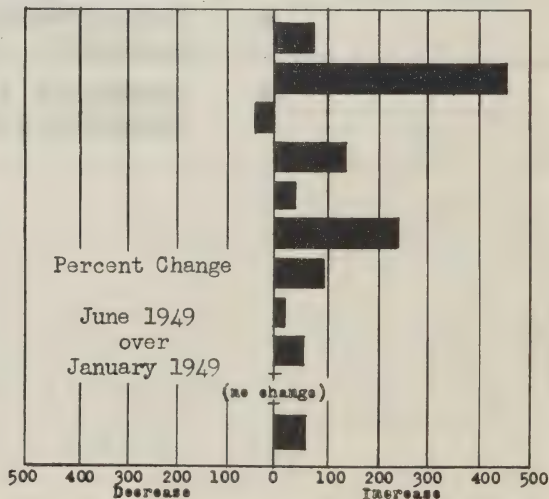
TRANSPORTATION

COMMUNICATIONS

TRADE

FINANCE, INSURANCE  
AND REAL ESTATE

SERVICE



## INDUSTRIAL LABOUR MARKET

Nearly all industries, except manufacturing, were seasonally expanded, but only in the services industry was any shortage of workers apparent. Manufacturing is generally slow at this time because of vacation shut-downs; caution prevails in many sections with uncertain export markets. In spite of a slow start in some areas, employment in the construction industry has now reached a high level. Port activity in Eastern Canada was beginning to revive from the London tie-up of Canadian ships.

### MANUFACTURING—

Estimated Employment (July) ..... 1,283,000  
Average Weekly Earnings (June 1) ... \$43.35

As yet, the British dollar crisis has resulted more in uncertainty about the future than in any serious reduction in employment in Canadian manufacturing industries. In June, moderate advances were recorded in manufacturing employment over the previous month, although the gain of .8 per cent was somewhat below normal compared with previous years.

Anticipation of future difficulties, combined with present high levels of employment while current contracts are being filled, is characteristic of those industries, such as food processing and sawmills, which are likely to be directly affected by future reduction in British contracts. In the Maritimes, for example, sawmills are working at full capacity to fill the present contract, but the outlook is uncertain. The poor prospects for the British export market are reflected throughout the whole area; industrial expansion has been discouraged, and there is little optimism about job opportunities in the immediate future.

The industries which export chiefly to South America and the British Empire, such as consumer durable goods, are feeling the effect of restricted markets most directly. This has resulted in lay-offs in a few cases. A shorter work-week and below-capacity operations are beginning to appear in some pulp and paper mills in Ontario and Quebec, as supplies of newsprint catch up with demand. There is a possibility that newsprint will be declared "surplus" and ERP funds will no longer be available for overseas purchases.



The domestic market for most manufacturing industries is generally good and employment shows signs of stabilizing at a high level. The lay-offs which have occurred generally affect only a small number of workers, and are usually of short duration. Shipment and sales of new motor vehicles reached a new postwar peak in the first six months of this year, and the immediate outlook is for high levels of employment. In Nova Scotia, the reduction in the work week in the iron and steel industry from 48 to 44 hours has resulted in the hiring of 150 new men, and operations are at capacity level. But, in spite of the present general high level of employment and production, there is a degree of uncertainty among all manufacturing industries about the future effects of the world trade crisis upon the Canadian economy.

#### AGRICULTURE—

Estimated employment (July) ..... 1,210,000

The shortage of agricultural workers is not as general this year as formerly and, in many areas, the supply has been quite adequate to meet demand.

This situation is particularly marked in Ontario and Quebec, where unfavourable weather conditions have resulted in a light hay crop. Although some 600 harvest workers were supplied from the Maritimes, most areas were able to fill the demand for farm workers locally. Some of the orders for farm labour from the West were cancelled, and there was a definite decrease in the number of requests for Displaced Persons. In the fruit belt in Ontario, however, some shortage of labour was evident, since early ripening meant demand for pickers concurred with that for tobacco harvesters.

In the Prairie region, it is generally anticipated that the demand for labour will reach about the same proportions as last year. Hot dry weather has meant an early ripening of the grain crop, and the harvest will be well under way by the third week in August. Good yields are expected in Manitoba, Northern Saskatchewan, south western Alberta, and the Peace River District. Elsewhere the crops are from fair to very poor. In Saskatchewan, plans are under way to transfer workers from poor areas into districts where crops are heavy. In all, it is anticipated that about 1000 men will be needed from eastern Canada for the whole prairie harvest. Already farm workers in the East are registering for the western harvest.

In the Pacific region, a definite surplus of farm labour is likely to extend into September, although crops are up to expectation.

In the Maritimes, however, an unusually heavy apple crop will require about 1000 men from outside the "Annapolis" valley in September and October. A good supply of labour is available to harvest the potato crop in Prince Edward Island and New Brunswick. The yearly movement of potato pickers from New Brunswick to Maine is expected to continue this year, but requirements will be lower than in 1948.

#### SERVICES—

|                         |          |       |         |
|-------------------------|----------|-------|---------|
| Estimated Employment    | (July)   | ..... | 837,000 |
| Average Weekly Earnings | (June 1) | ....  | \$27.92 |

The seasonal peak in the tourist trade, which is likely to be greater than last year, has resulted in a heavy demand for experienced help in the summer resort regions. It has been particularly difficult to find waitresses with suitable experience.

In spite of the immigration of Displaced Persons, demand for full-time domestic servants in private homes is still very heavy, and there are few suitable applicants willing to do this work. However, Displaced Persons have eased the shortage of domestic workers in hospitals and other institutions considerably. There is a good supply of day and casual workers for domestic service.

Demand for experienced stenographers still exceeds the supply, although in some sections there has been a surplus of young graduates from the commercial high schools. Employers generally seem to show a marked preference for single women for office work.

There is little difficulty in placing experienced garage mechanics, but there has been slight demand for unqualified men.

In general in the service industries, there are a great many openings for experienced workers, but it is sometimes hard to find persons with suitable qualifications among the applicants.

## TRANSPORTATION—

Estimated employment (July) ..... 377,000  
Average weekly earnings (June 1) ... \$50.91

During July, the labour dispute in the Canadian east coast shipping industry was headlined in the world press, when it resulted in a sympathy strike of some 15,000 dock workers in the port of London. Matters reached such serious proportions that a state of national emergency was declared in Britain. The dockers returned to work on July 25, after the strike of Canadian seamen on Canadian ships docked in Britain had been called off. The Canadian Seamen's Union is still on strike, although the majority of ships belonging to the East Coast Shipping Federation are operating under agreement with the Seafarers' International Union.

With the settlement of the strike in London, port activity in Eastern Canada is beginning to revive. During July, ocean-going traffic on the St. Lawrence had been adversely affected by the tie-up of Canadian ships. Activity in St. John, N.B., however, has been on the increase over the previous month.

Even though west coast shipping has been free of labour disputes, the general shipping picture there is not favourable. A considerable number of Canadian seamen lost their jobs when various locally-owned vessels were sold to foreign buyers. Labour turnover is on the decline, and there are fewer vacancies for seamen listed with the local office. Some seamen are already seeking work in other industries, but employers seem reluctant to hire these men permanently.

In most areas, railway and bus lines have been kept busy with the summer peak in the tourist trade although car loadings for the week ending July 30 are down 3.3 per cent over last year. Extra gangs have been employed by the railroads on maintenance-of-way but activity in railroad repair shops is down, and several lay-offs have been reported.

## CONSTRUCTION—

Estimated employment (July) ..... 312,000  
Average weekly earnings (June 1) .. \$40.17

In spite of a slow start in some areas, employment in the construction industry has reached a high level. The value of contracts awarded in the first six months of this year indicates an increase of about \$5 million over the same period in 1948.



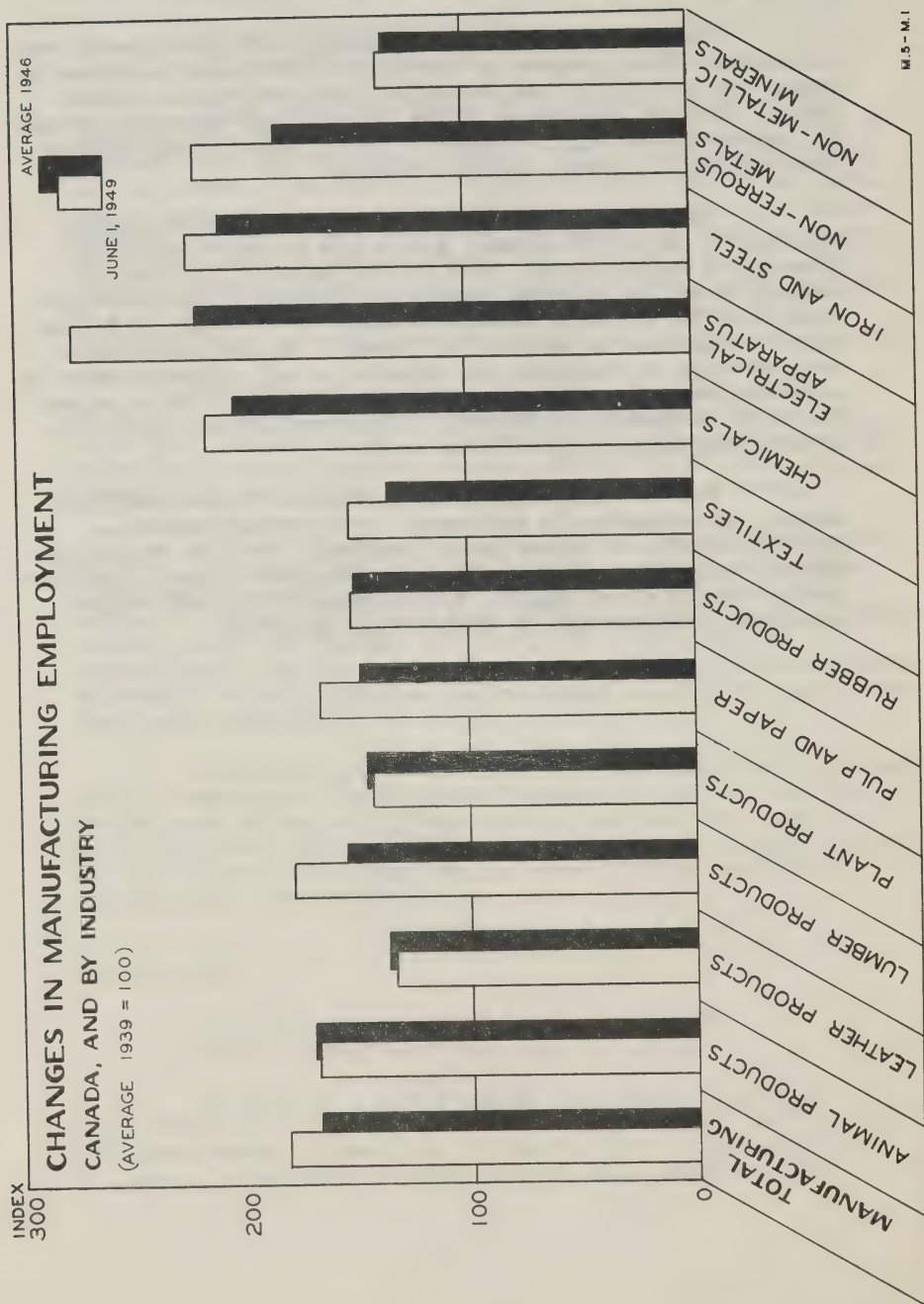
When allowance is made for prices, the physical volume of construction in the two periods would be about the same.

Construction of public buildings, new power plants, and the road-building programs of provincial governments continued to offset the decline in residential building noticeable in some areas. In July, employment in the industry was beginning to reach its seasonal peak, and shortages of labour were already apparent, particularly in Quebec and the Prairies.

It was evident that the shortage was almost entirely confined to skilled tradesmen, and in few districts could the scarcity be called acute. Only in some parts of the Prairie region, where the building program for industrial and commercial structures has exceeded expectations has the shortage of skilled labour threatened to become a bottleneck. In the Maritimes no real scarcity of tradesmen has appeared as yet, although there is a steady demand for fully qualified men. In the Pacific region, the chief difficulty is finding skilled men who are willing to accept employment in out-of-town areas.

For the semi-skilled and particularly the unskilled worker, the situation is different. The Maritimes report a definite surplus of labour in all sections. Even in Ontario and Quebec, where the general employment situation is good, unskilled men are not in short supply. The Prairies is the only region anticipating a shortage of construction labourers.





## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Non-seasonal lay-offs during July amounted to 3345, of which 88 per cent were caused by shortages of orders. Paper production manufacturing and agricultural implements were hardest hit, with both domestic and foreign markets tapering off. Shortage of materials and production changes were responsible for minor temporary staff reductions. Only one small firm was reported permanently out of business.

During July reported non-seasonal lay-offs in manufacturing industries numbered 3,345, a drop of 327 from the previous month. As in June, lay-offs because of shortages of orders were predominant, comprising 88.3 per cent of the total. Staff reductions because of shortages of material and production changes were small, each accounting for 4.8 per cent of the whole. The remaining 2.1 per cent of the lay-offs were for other causes.

Lay-offs because of shortages of orders were heaviest in iron and steel products manufacturing. Approximately 600 persons were released from agricultural implement plants since export trade is being curtailed by dollar shortages and domestic demand is tapering off. Primary iron and steel manufacturing and foundries reported staff reductions amounting to 400 during July, owing to shortages of orders.

The 642 lay-offs in paper products were entirely due to lack of orders, with plants manufacturing kraft paper, paper bags, paper board etc. most seriously effected. Staff cutbacks in transportation equipment were centred in shipbuilding and aircraft production, shortages of orders being responsible for lay-offs totaling 113 and 50, respectively. A decreased demand for aluminum goods was evident as 170 workers were released during July and further reductions are expected in August. Shortages of orders were also responsible for lay-offs in the following industries: gasoline and oil refining, woollen and worsted manufacturing, plywood manufacturing, flour and feed milling (chiefly for export), leather tanning, and toy manufacturing.

Material shortages were evident again in July. Poor catches in the Maritimes necessitated the release of 85 employees of a fish canning plant. A lakehead sawmill was forced to lay off 75 workers when high grade logs became scarce in that area.

Table I—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off        | July, 1949 <sup>(1)</sup> |          | June, 1949 |          | May, 1949 |          |
|-------------------------|---------------------------|----------|------------|----------|-----------|----------|
|                         | Number                    | Per Cent | Number     | Per Cent | Number    | Per Cent |
| Shortage of orders..... | 2,955                     | 88.3     | 3,485      | 94.9     | 2,003     | 46.1     |
| Shortage of material... | 160                       | 4.8      | 10         | 1.6      | -         | -        |
| Production changes..... | 160                       | 4.8      | 14         | 0.4      | 46        | 1.1      |
| Other.....              | 70                        | 2.1      | 113        | 3.1      | 2,294     | 52.8     |
| Total.....              | 3,345                     | 100.0    | 3,672      | 100.0    | 4,343     | 100.0    |

(1) Preliminary figures

Table II—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                              | July, 1949 |          | June, 1949 |          | May, 1949 |          |
|---------------------------------------|------------|----------|------------|----------|-----------|----------|
|                                       | Number     | Per Cent | Number     | Per Cent | Number    | Per Cent |
| Food and Beverages.....               | 188        | 5.6      | 165        | 4.5      | -         | -        |
| Tobacco Products.....                 | -          | -        | -          | -        | -         | -        |
| Rubber Products.....                  | -          | -        | -          | -        | 70        | 1.6      |
| Leather Products.....                 | 100        | 3.0      | -          | -        | 15        | 0.3      |
| Textile Products.....                 | 139        | 4.2      | 212        | 5.8      | 66        | 1.5      |
| Clothing.....                         | -          | -        | 171        | 4.7      | 148       | 3.4      |
| Wood Products.....                    | 120        | 3.6      | 223        | 6.1      | 373       | 8.6      |
| Paper Products.....                   | 642        | 19.2     | 1,048      | 28.5     | 218       | 5.0      |
| Printing and Publishing.              | -          | -        | -          | -        | -         | -        |
| Iron and Steel Products.              | 1,158      | 34.6     | 760        | 20.7     | 769       | 17.7     |
| Transportation Equipment              | 323        | 9.6      | 138        | 3.7      | 2,597     | 59.8     |
| Non-Ferrous Metals.....               | 245        | 7.3      | 387        | 10.5     | 20        | 0.5      |
| Electrical Apparatus....              | -          | -        | 568        | 15.5     | -         | -        |
| Non-Metallic Mineral<br>Products..... | 280        | 8.4      | -          | -        | 16        | 0.4      |
| Chemical Products.....                | -          | -        | -          | -        | 35        | 0.8      |
| Miscellaneous.....                    | 150        | 4.5      | -          | -        | 16        | 0.4      |
| Total.....                            | 3,345      | 100.0    | 3,672      | 100.0    | 4,343     | 100.0    |

# REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR  
MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ PLANT EXPANSION  
1939 - 49

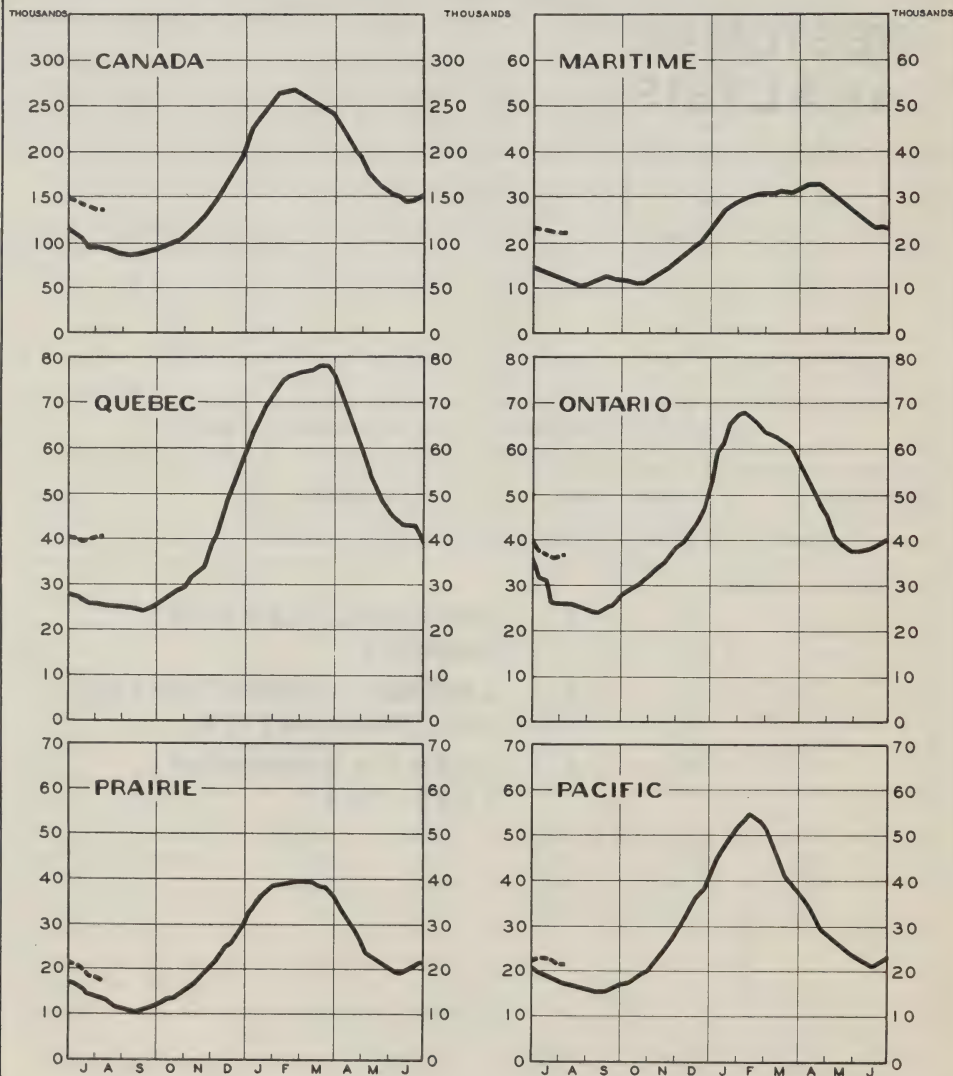


# UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

— JULY 1948 - JULY 1949  
 - - - JULY 1949 TO DATE



## REGIONAL LABOUR MARKET

Seasonal activity stimulated employment in all regions during July. In British Columbia and the Maritimes, however, adverse market conditions for the logging and pulp industries offset the seasonal upswing to some extent. Quebec and Ontario reported satisfactory conditions but light labour demand since many plants were closing for vacations. In the Prairies, summer activity was in full swing.

### THE MARITIMES.....

Summer employment activity was sustained during July. Adverse conditions in a few industries held down the usual marked seasonal upswing, however, and no shortages of labour were evident.

Fish catches were light during the month in both inshore and deep-sea fishing. Operations were so unprofitable that at times part of the fishing fleet remained in port and many fishermen found alternative employment in the hay harvest. Fish processing employment also was curtailed. The threatened suspension of all dollar imports by the West Indies and South America was viewed with alarm by the fishing industry, which sells most of its cod and mackerel production to the sterling areas.

The monetary crisis has also threatened the pulp and paper industry. Demand for newsprint in the U.S. shows signs of declining, while at the same time sales to soft currency countries have fallen as dollars become scarcer. Reports were current that U.K. purchases of Canadian newsprint will be cut by one-third next year; American newsprint producers, holding heavy inventories, have made representations claiming that E.C.A. dollars should be spent to assist the American industry. Australia cannot buy as much as before, the Argentine has exhausted most of its dollar reserves, and Scandinavia is competing for the British market. So far, logging employment has been most affected, and pulpwood cutting this summer has been well below normal. Pulp and paper mills have operated steadily, but with reduced staffs. Lumber operators reported that they have not planned much activity for next season unless the market takes a decided jump, and preparations for the cut were slow.

Conditions in mining, construction, agriculture, trade and heavy manufacturing were more favourable. Coal mines were operating steadily, except in the Minto area where marketing problems existed. The iron mines in Newfoundland were in full-time operation; a new wage agreement has been successfully negotiated. Construction activity was gaining momentum and employment, especially for skilled tradesmen, was at a high level in most areas. Farm labour demand increased with harvesting of strawberries and the hay crop, but will remain light until the general harvest starts.

Retail trade, stimulated by a great influx of tourists, was very active. Many firms were again returning to the policy of seasonal and monthly sales, however, in order to get rid of high-priced merchandise. Sales of moderately priced goods have been brisk.

New Glasgow--Heavy manufacturing industries have been operating steadily, with good contracts scheduled. Conditions in general were most satisfactory during July for this area.

QUEBEC.....

Seasonal activity was pronounced during July. Construction, mining, transportation, trade and service were particularly active. In manufacturing, the trend is more difficult to discern because of the general practice of plant shut-downs for the holiday period.

This has been the first season since the war years that the supply of farm labour has been ample for requirements. Plans to recruit workers for the western harvest movement have been drawn up and will go into effect whenever necessary. The transfer of Canadian workers to the potato harvest in Maine during September was also being planned.

In the logging industry, summer cutting operations were light. Operators hesitated to predict the level of fall cutting because of the unsettled state of world trade, but indications pointed to a sharp reduction in operations. Inventories at the larger mills are very high. Because of the light lumber cut last winter, many smaller sawmills now have finished operations for the season; larger mills will operate until October, but for the first time in many years all mills will have completed cutting before the freeze-up. Most river drives were finished during July, with ideal conditions.

Gold mining production has been at the highest level since 1943. Labour demand for experienced miners, particularly machine-men, has been increasing but inexperienced labour could be found locally. Asbestos production returned to normal, as the five-month strike ended, pending further arbitration. The shortage of water power in mining areas of western Quebec, which has been a problem in recent years, has not appeared this year because of heavy rain-falls.

The construction industry reached peak activity and this should be maintained until late fall or early winter. Every branch of the industry was working at capacity and skilled tradesmen were scarce. Applicants registered as construction tradesmen, were usually either very old, or lacking the qualifications demanded by employers. Construction labourers were available, however.

Employment trends varied from industry to industry although the vacation period interrupted production schedules in many manufacturing industries during July. Textile plants continued on part-time operation, a customary seasonal slackness, and will likely resume normal schedules in the fall. Clothing firms remained at near-capacity production. Activity in heavy iron and steel industries was well maintained, and the newsprint industry also continued its steady operation. Furniture factories were busy despite decreased orders. Shoe production, however, was still low, and most plants were operating well below capacity because of market conditions.

Quebec and Sorel--Shipbuilding in these areas was practically at a standstill and no contracts were in sight.

#### ONTARIO.....

The seasonal improvement in employment conditions continued during July, although somewhat obscured by the closing of many industrial plants for vacation periods. The construction industry has been the major influence in seasonal activity to date. A high level of wholesale and retail trade activity, however, as well as a busy tourist season and a moderate demand for seasonal farm workers, have also been important factors.

Manufacturing industries, while not overly active, have been in general maintaining current levels of employment. In cases where production has overtaken demand, adjustment has been made by shortening working time until surpluses disappeared. Firms producing chiefly for export, however, were still uncertain about their market outlook and future plans. Expansion along some lines continues, however, and many Ontario cities are spending huge sums on



industrial promotion as they compete to attract new manufacturing industries.

Heavy manufacturing industries were fairly active during July, although labour demand was slight because of holiday closings. Primary iron and steel production remained at capacity, with supplies finally beginning to catch up to demand. The automobile industry was at peak operation except in Hamilton, where re-tooling was in progress, and will continue at capacity for the next few months. Production of agricultural implements was in a slack period, partly due to seasonal and partly to weak export conditions. Radio manufacturers have been venturing into television production, and experienced female radio workers were greatly in demand.

The construction industry was busy during the month, and labour demand was high. Competition is becoming keener, even in construction, however, and this year, quite a number of contractors functioning with limited capital have abandoned contracting and have returned to their former trades; some others of a similar type have fallen into financial difficulties. No severe shortages of skilled men were reported. Some Displaced Persons who have completed their farm contracts were drifting into construction work, and giving efficient performances.

The demand for farm workers remained firm. Approximately 550 workers were brought to Ontario from the West and 500 more from the Maritimes. The tourist trade was flourishing and sales to Americans were high, although buyers' resistance was increased.

#### THE PRAIRIES.....

The labour market was absorbing workers steadily during July as grain harvesting started and the construction program gained momentum.

Crop prospects in the Prairies showed considerable variation, ranging from excellent in Manitoba and the northern part of Alberta to poor in southern parts of Saskatchewan. The demand for farm labour was steady and no surplus of workers existed. However, more applicants for farm work are expected to appear when workers are hired by the day. As harvesting becomes more general early in August, a sharp increase in labour requirements may occur and an extensive recruiting campaign in the crop failure areas for labour is planned. A definite shortage of harvesters was not expected until about September, however, when plans for the importation of eastern workers will go into effect. It appeared certain that the region would require at least 1,000 men from eastern Canada for the grain harvest.

The mining industry was active in almost all branches. Prospectors were staking claims on both gold and radio-active prospects in the Kenora area. The expansion program at the iron mines was progressing and labour demand for both skilled and semi-skilled men continued; there was no problem in finding suitable workers. Gold mines were busy and registered steady requirements for miners and underground labourers; curtailment of free transportation for workers was evident, and this was reported to have a stabilizing effect on the labour force which had a high turnover in this field. Coal mines in several areas were still working short-time because of lack of orders. Oil production near North Battleford was being reduced because of market difficulties, and, in the Edmonton area, because production exceeded refinery capacity; drilling continued in northern areas.

The volume of industrial and commercial construction has exceeded expectations. Contractors so far were well supplied with labour, but should the program be further extended, a shortage of skilled tradesmen and construction labourers would soon appear. The scarcity of cement was retarding industrial building. The Provincial governments program for rural electrification was progressing well. Several large hydro-electric development projects were under way and will provide steady employment for large crews of men for the next two or three years.

Packing plants at western centres reported an improvement in cattle receipts, but hog receipts were light. Most plants had recalled their staffs, but further significant expansion was not expected for a month or two.

#### THE PACIFIC.....

Employment conditions during July reflected the seasonal activity of most industries, but the usual upswing of former years has not been evident. While the level of employment was high, and should continue so for some time, stabilization has definitely set in. Competition is growing keener both for producers, now facing a market limited to goods of competitive price and quality, and for workers who must meet the more exacting standards of employers. In addition to the problems of this natural deflationary process, several major industries in B.C. also face markets cut drastically as a result of the world's dollar shortage.

The logging and lumbering industry best illustrates the change in conditions. Competition has forced the less efficient logging operators, who flourished during the war years, out of business. As the export market has weakened for lumber and pulp, demand for logs has fallen accordingly. Other operators have been forced

to curtail production -- log production in the Lower Mainland area has declined some 25-50 per cent in some cases, due to poor market conditions and lower prices. One of the largest operations in this area will not resume activity until 1950. Camps in the Interior also report curtailed production, although in the Prince George area, logging has been in full swing. The former chronic shortage of skilled loggers has therefore almost disappeared, as men move from closed camps to active operations.

The same conditions have affected sawmills, and the less competitive ones are suspending operations or curtailing production and cancelling expansion plans. Coast mills, particularly, have been hit by the slump in export markets. In the Interior, however, most sawmills were working at full capacity.

Three large pulp and paper mills suspended operations indefinitely, but others were in steady operation. The repercussions of these shut-downs have affected all the supplying services, and machinery building.

Shingle mills, which had been operating on a reduced scale for the past months, have been working at capacity in the Vancouver-New Westminster areas, stimulated by increased export orders. Prices were low.

Construction was near its peak for the season. Demand for skilled workers has reached the point where shortages are developing in certain trades, particularly the trowel trades. Projects in outlying areas were finding it difficult to obtain skilled men, since living accommodation was not always available. The volume of housebuilding has declined, but may improve shortly since Central Mortgage and Housing so far have only let contracts for 120 units of the projected 1,100 houses in its Fraser View Development. Contracts for school construction in all parts of the region will also provide much employment. The road construction program of the Provincial government has been extensive throughout the province and skilled road building machinery operators were increasingly difficult to obtain.

Base metal mining showed greater activity and production increased, stimulated by the rise in lead, zinc, and copper prices. Development of new properties has been going ahead, and indications are that several new mines will be in production by the end of the year. The milling of ore has now commenced at Salmo, which will rank as the second largest lead-zinc operation in B.C.; mining men foresee a long and successful operation for it, even at low zinc and lead prices.



## LABOUR MARKET RATING OF COMMUNITIES

In the following tabs, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at August 1, 1949, at July 1, 1949, and at August 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I—Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for July and August of 1949 are preliminary.



LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>Aug. 1,<br>1949 | Group Rating    |                 |                 |
|----------------------------------------|--------------------------|-----------------|-----------------|-----------------|
|                                        |                          | Aug. 1,<br>1949 | July 1,<br>1949 | Aug. 1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                          |                 |                 |                 |
| Quebec.....                            | 80                       | III             | III             | III             |
| Vancouver.....                         | 76                       | III             | III             | III             |
| Windsor.....                           | 51                       | III             | III             | IV              |
| Winnipeg.....                          | 44                       | IV              | IV              | IV              |
| Victoria.....                          | 40                       | IV              | IV              | IV              |
| Calgary.....                           | 37                       | IV              | IV              | IV              |
| Ottawa.....                            | 34                       | IV              | IV              | IV              |
| Hamilton.....                          | 27                       | IV              | IV              | IV              |
| Edmonton.....                          | 27                       | IV              | IV              | IV              |
| Montreal.....                          | 23                       | IV              | IV              | IV              |
| Toronto.....                           | 21                       | IV              | IV              | IV              |
| <u>Population of 50,000 to 100,000</u> |                          |                 |                 |                 |
| Sydney.....                            | 125                      | III             | III             | III             |
| Saint John.....                        | 94                       | III             | III             | III             |
| Fort William-Port Arthur.....          | 72                       | III             | III             | IV              |
| Halifax.....                           | 70                       | III             | III             | III             |
| London.....                            | 25                       | IV              | IV              | IV              |
| Regina.....                            | 18                       | IV              | IV              | IV              |
| Kitchener-Waterloo.....                | 6                        | IV              | IV              | IV              |
| <u>Population of 25,000 to 50,000</u>  |                          |                 |                 |                 |
| Hull.....                              | 108                      | III             | III             | III             |
| Shawinigan Falls.....                  | 98                       | III             | III             | IV              |
| Sherbrooke.....                        | 85                       | III             | III             | IV              |
| Chicoutimi.....                        | 82                       | III             | III             | IV              |
| Brantford.....                         | 69                       | III             | IV              | IV              |
| Oshawa.....                            | 56                       | III             | III             | III             |
| Three Rivers.....                      | 52                       | III             | III             | IV              |
| St. Catharines.....                    | 37                       | IV              | IV              | IV              |
| Kingston.....                          | 32                       | IV              | IV              | IV              |
| Saskatoon.....                         | 29                       | IV              | IV              | IV              |
| Peterborough.....                      | 29                       | IV              | IV              | IV              |
| Sault Ste. Marie.....                  | 19                       | IV              | IV              | IV              |
| Sudbury.....                           | 18                       | IV              | IV              | IV              |
| <u>Population of under 25,000</u>      |                          |                 |                 |                 |
| Sorel.....                             | 175                      | II              | II              | IV              |
| Pictou - New Glasgow.....              | 104                      | III             | III             | III             |
| Valleyfield.....                       | 89                       | III             | III             | III             |
| Welland.....                           | 84                       | III             | III             | IV              |
| Amherst.....                           | 73                       | III             | III             | III             |
| Trail.....                             | 24                       | IV              | IV              | IV              |
| Niagara Falls.....                     | 21                       | IV              | IV              | IV              |

## PLANT EXPANSION

### 1939 - 49

Since 1939, investment in the form of construction contracts awarded for housing, buildings and plant topped \$4.9 billion. Almost two-thirds of this has occurred in the post-war period. This year, investment may equal or even exceed that for 1948, which was a record year for all types of building. The effect on employment has been far-reaching, both because of the number of construction workers hired in the building itself and the number of new jobs opened by business expansion.

One of the greatest sustaining influences for Canadian business continues to be the high level of investment expenditures. While market outlooks present increasing problems, the Canadian outlay for plant, buildings, and housing has been larger and even better maintained than in the United States. From the beginning of 1939 until the end of June, 1949, no less than \$4.9 billion was invested on residential, business, industrial, and engineering construction. The result has been a substantial growth of the whole Canadian economy.

Investment since the war in the form of contracts awarded amounts to \$3.2 billion compared to \$1.7 billion during the war years. The total value of contracts awarded reached an all time peak of \$954 million in 1948, and 1949 shows no let-up in investment. The only exception to the 1948 peak was industrial contracts which reached a peak in 1946 and have shown a considerable decline since that time.

From 1943, residential construction was far ahead in terms of value of contracts awarded, with the exception of 1947, when business investment was the highest. Over the ten and one-half year period from 1939, the value of residential construction under contract was \$1,697 billion. Business construction was next with a value of \$1,455 billion. In this period, 64 per cent of the investment in the form of contracts awarded was represented by residential and business construction.

In the first six months of 1949, the total value of contracts awarded for all types of building was \$488.8 million, an increase of \$5.8 million over the comparative period in 1948, which was a record-breaking year. So far 1949 is well on its way to equal, if not better, the investment mark set in 1948. Employment effects of such investment reach far beyond the number of new jobs opened up as a result of plant expansion. The high value of investment for all types of building has meant increased construction activity with consequent high employment; suppliers of building materials, machinery and equipment also benefit.









A N A D I A N

# LABOUR MARKET

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in British Columbia

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CANADIAN LABOUR MARKET September, 1949

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CANADIAN LABOUR MARKET  
Economics and Research Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

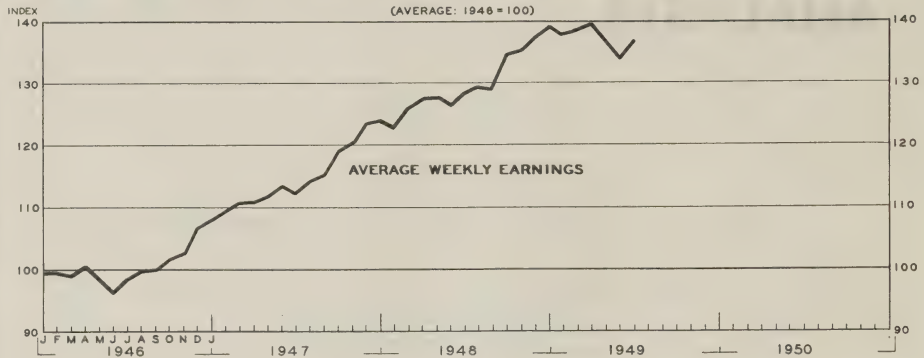
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

# NATIONAL ANALYSIS.....

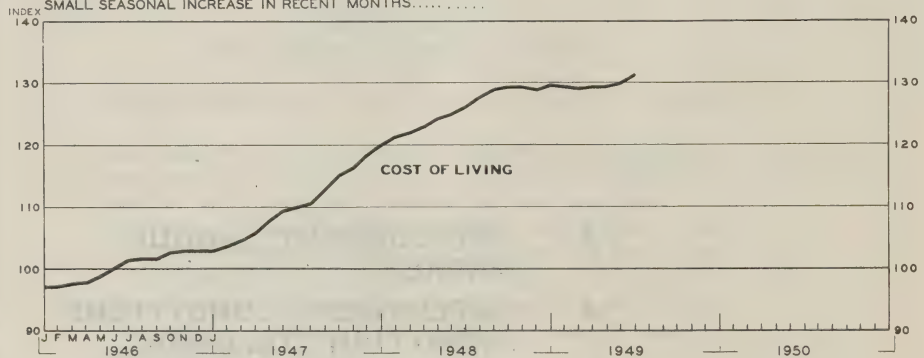
- ▲ THE CURRENT LABOUR  
MARKET
- ▲ EMPLOYMENT CONDITIONS  
IN BRITISH COLUMBIA
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES

# REAL WEEKLY EARNINGS.....

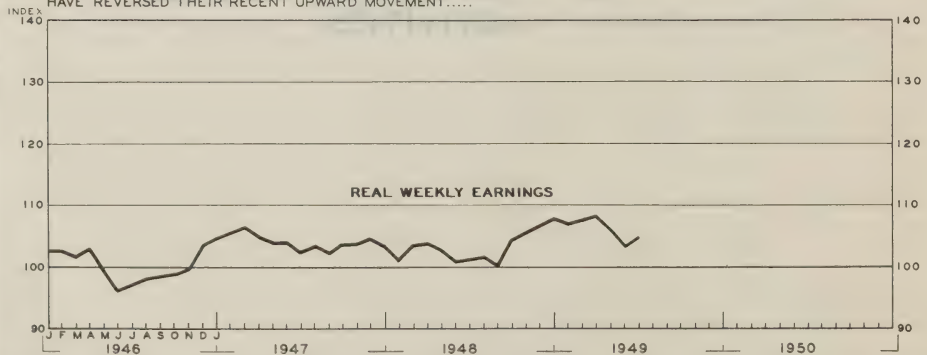
AVERAGE WEEKLY EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES DROP SLIGHTLY AS SOME PLANTS WORK SHORT TIME.....



THE COST OF LIVING, AT THE SAME TIME, UNDERGOES A SMALL SEASONAL INCREASE IN RECENT MONTHS.....



REAL WEEKLY EARNINGS, AS A RESULT, HAVE REVERSED THEIR RECENT UPWARD MOVEMENT.....



## THE CURRENT LABOUR MARKET

Employment in Canada continued at a high level in August, primarily due to seasonal activity in agriculture and construction. Conditions varied from region to region, however, with the Prairies and Ontario more buoyant than the others. Lay-offs in manufacturing were slightly higher than in the previous month, although less were due to shortages of orders. Unemployment, however, continued to be approximately only two per cent of the total labour force.

With agricultural and construction activity nation-wide, August was a most favourable month for employment. The record high of 5,000,000 jobs was attained early in June and further advances have taken place during July and August. Seasonal operations in these industries were nearing their peak. Service trades were also working at capacity, spurred on by heavy tourist traffic.

At the beginning of June, the number of unemployed in Canada totalled 103,000, approximately 2 per cent of the 5,000,000 labour force. At same time, the number of jobless in the United States amounted to 6 per cent of the total labour force. The lower percentage in this country is in keeping with the post-war pattern, when unemployment has been steadily less here than in the United States, even at the seasonal low of industrial activity in mid-winter.

The Ontario and Prairie regions were in a particularly buoyant state during August. Following the end of vacation shut-downs, manufacturing industries in Ontario were producing with renewed vigour in nearly all divisions except agricultural implements. Both here and in the Prairies, many available workers were employed in agriculture and construction. Labour supplies were more adequate than last year and, except for some scarcity of skilled trades, all requirements were readily filled. Movements of agricultural workers to the Prairies from the East were not as extensive as last year, since more local labour was available.

The Maritime, Quebec and Pacific regions, however, did not respond as much as anticipated to seasonal expansion. All three regions, but especially the Pacific at this time, have been affected by the uncertain export market for lumber, and a surplus



of logging skills was reported for many areas. In Quebec, manufacturing was still adjusting to curtailed export markets.

More settled employment conditions throughout Canada, however, were apparent. There has been a decided drop in labour turnover and absenteeism. A record degree of industrial peace has been evident in the past few months also, with time loss due to strikes in August, 35,500 days in all, the lowest for any August since 1941.

Hourly earnings in manufacturing have shown a steady uptrend but, with shorter hours in some industries, average weekly earnings have levelled off. At July 1, the average weekly pay for a manufacturing worker was \$44.08. Total labour income in June for all industries including manufacturing was \$643 million, an increase of eight per cent over June last year.

Lay-offs in manufacturing were slightly higher in August than in the previous month but only 57.3 per cent, compared to 88.3 per cent in the previous month, were due to shortage of orders. The largest lay-offs were registered in iron and steel products, primarily agricultural implements and transportation equipment. Textiles and woods products also were affected by shortages of orders, mostly from dollar-poor countries. However, the strength of the Canadian economy is indicated in the continued high rate of industrial production, almost double that of the 1935-39 average.

One of the greatest sustaining influences for Canadian business continues to be the high level of investment expenditures. While a slight decline has been evident in investment in manufacturing industries, increased investment is expected this year in other sections of the economy. These include agriculture, fishing, public utilities and residential and institutional building. A decline in investment in inventories is forecast. On the whole, total investment in 1949 should be about the same or slightly higher than in the previous year.

Unemployment as a Percentage of the Labour Force

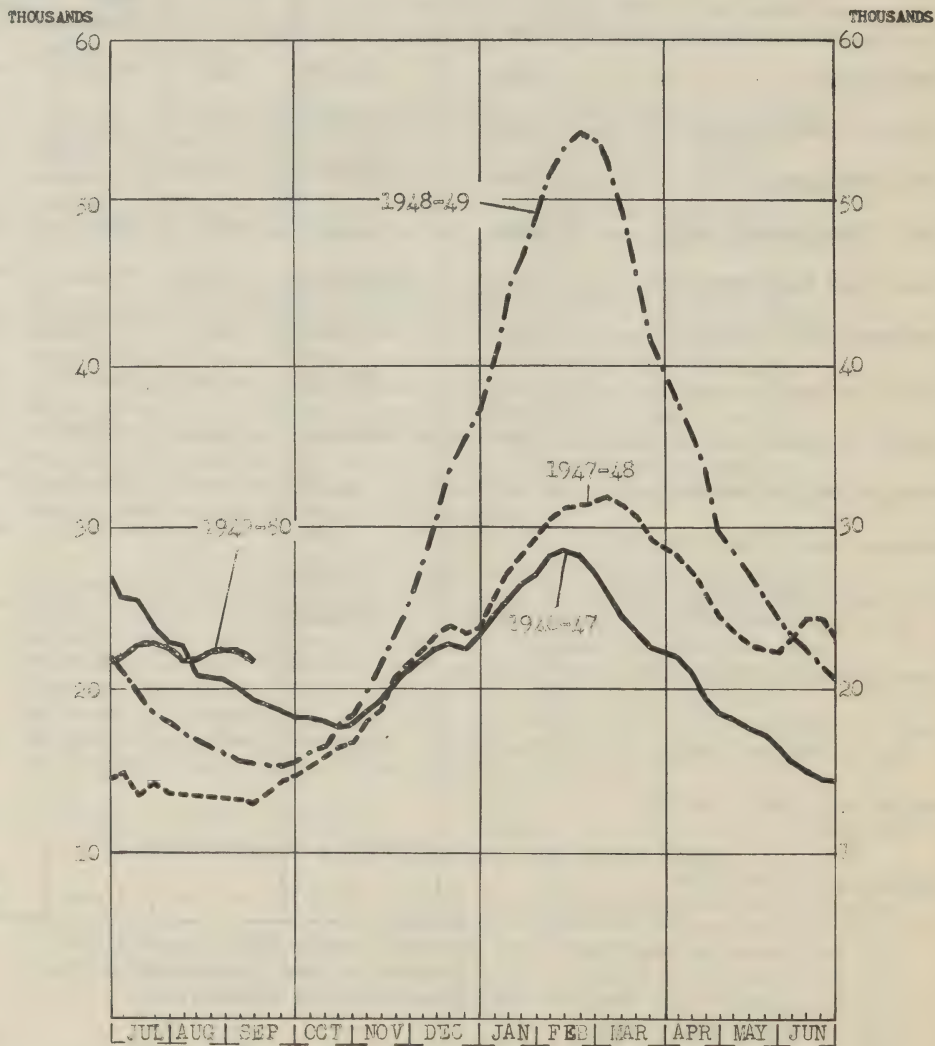
|                   | <u>Canada</u> | <u>United States</u> |
|-------------------|---------------|----------------------|
| June, 1949.....   | 2.0           | 6.0                  |
| November, 1948... | 2.1           | 3.0                  |
| June, 1948.....   | 1.6           | 3.4                  |
| June, 1947.....   | 1.9           | 4.1                  |
| June, 1946.....   | 2.6           | 4.4                  |

SELECTED LABOUR MARKET TRENDS

| Indicator                                                | Latest Data |               | Percentage Change   |                           |                                              |
|----------------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                          | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration.....                                         | July        | 10,600        | -11.3               | - 4.4                     | - 6.2                                        |
| Civilian Labour Force (a)....                            | June        | 5,121,000     | + 4.5               | + 1.8                     | - 1.7                                        |
| Total Employment (a).....                                | June        | 5,018,000     | + 6.8               | + 1.4                     | + 1.1                                        |
| Total Unemployment (a).....                              | June        | 103,000       | -48.3               | +25.6                     | +26.9                                        |
| Industrial Employment (b)....                            | July 1      | 2,155,000     | + 2.0               | + 1.4                     | + 1.7                                        |
| Unplaced Applicants (c).....                             | Sept. 1     | 137,400       | - 1.4               | +55.5                     | +30.8                                        |
| Live Claims (d).....                                     | Aug. 1      | 80,000        | - 0.6               | +64.6                     | +42.8                                        |
| Labour Income.....                                       | June        | \$643,000,000 | + 3.9               | + 7.9                     | + 9.9                                        |
| Average Weekly Earnings (e)..<br>Av. 1946 = 100 (f)..... | July 1      | \$ 41.38      | + 2.3               | + 6.7                     | + 9.2                                        |
| Average Hourly Earnings (e)..<br>Av. 1946 = 100 (f)..... | July 1      | \$ .99        | - 0.1               | + 7.3                     | +10.2                                        |
| Real Weekly Earnings<br>Av. 1946 = 100 (f).....          | July 1      | 104.4         | + 1.4               | + 3.3                     | + 3.9                                        |
| Average Weekly Hours (e).....                            | July 1      | 41.8          | + 2.5               | - 0.5                     | - 0.9                                        |
| Cost of Living<br>Av. 1935-39 = 100.....                 | Aug. 1      | 162.8         | + 0.4               | + 3.4                     | + 4.9                                        |
| Man Working Days Lost by<br>Strikes.....                 | Aug.        | 35,000        | -38.6               | -67.8                     | +18.4                                        |
| Industrial Production<br>Av. 1935-39 = 100.....          | July        | 162.8         | - 3.4               | + 4.4                     | + 1.9                                        |

- (a) Estimated on basis of a one per cent sample of the population  
 (b) Based on firms of 15 or more workers in nine leading industries.  
 (c) Registered with National Employment Service Offices.  
 (d) Ordinary Claims only.  
 (e) Wage earners in manufacturing only.  
 (f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.

# UNPLACED APPLICANTS - PACIFIC REGION 1946 TO DATE



## EMPLOYMENT CONDITIONS IN BRITISH COLUMBIA

The softening of some markets, especially in the sterling area, is bringing to B.C. industries an increasing seasonality, with greater amplitude of variations in employment and longer slack periods. The post war boom has not been entirely exhausted, however, and the recent currency devaluations may have beneficial effects, at least in the short run. Unemployment during the coming winter is not likely to be quite as severe as it was last year.

The employment situation in British Columbia at the present time is generally favourable, with unemployment at the middle of September estimated to be nearly 3 per cent of the total regional labour force. The ratio of the number of workers registered as looking for work at National Employment Service offices to the total labour force is somewhat higher at around 5 per cent.(1)

During the coming months, apart from the usual seasonal increase in unemployment, there may be further unemployment in some industries resulting from adverse market conditions, especially in the sterling area. At the same time, the recent devaluation of the Canadian dollar should help to offset this tendency by improving the competitive position of some British Columbia products in the United States market and stimulating production in some industries at home. There are also certain other elements of strength in the economy. On balance, as far as can be foreseen at the moment, and barring unusual weather conditions, unemployment in the Pacific region is not likely to be quite as severe this winter as it was last year.

In this review, the main features of the current situation are analyzed, as well as some of the major trends affecting employment in British Columbia during the post-war period. This discussion is intended to serve as a background for appraising the employment outlook for the region during the coming months. While it is difficult, at this date, to set forth accurately what the situation next winter will be, it may be helpful to try to indicate in broad terms what may develop.

(1) The 3 per cent unemployment ratio is an advance estimate for the Pacific region of the D.B.S. Quarterly Labour Force Survey figure for September. It should be remembered in interpreting this figure that persons are not considered unemployed if they work more than one hour in the survey week. Those seeking employment through National Employment Service offices, on the other hand, include some persons presently working either part-time or full-time.



### The Current Situation

On September 1, there were slightly over 22,000 unplaced applicants reported by National Employment Service offices in the Pacific Region. This exceeds by some 6,000 the corresponding figure for last year and, as is shown in the following table, is higher than for any other post-war year.

#### Unplaced Applicants - Pacific Region At September 1

|           | <u>Total</u> | <u>Male</u> | <u>Female</u> |
|-----------|--------------|-------------|---------------|
| 1946..... | 20,693       | 16,974      | 3,719         |
| 1947..... | 13,240       | 10,089      | 3,151         |
| 1948..... | 15,783       | 10,873      | 4,910         |
| 1949..... | 22,125       | 15,845      | 6,280         |

In order to view these unplaced applicants' data in their proper perspective, they must be considered in relation to changes in the total labour force. It is estimated that the British Columbia labour force has increased by 65,000, or about 16 per cent, since June of 1946. The increase for Canada as a whole for the same period was about 6 per cent. When allowance is made for this growth in the labour force, the ratio of unplaced applicants to total employment at September 1, 1949, is actually less than it was three years earlier.

The latest available employment figures from the Quarterly Labour Force Survey are for the beginning of June. These indicate that, while there was an increase over the 12-month period of some 14,000 employed persons, there was no change in the number unemployed on that date. A picture of the general distribution of manpower in British Columbia as of June of this year is given in the following table. From the comparative data for 1948 it is clear that important increases in employment occurred in several industries over the twelve-month period.

The absence of any significant change in the unemployment situation in June of this year as compared with June, 1948, is also illustrated by the unplaced applicants' data shown in the chart on page 8. It is significant, however, that while unplaced applicants fell off appreciably during the summer of 1948, there has not been a corresponding decline this year. Similarly while ordinary unemployment insurance claims have dropped off somewhat during the summer, the decline this year has not been quite as large as last year.

# Approximate Distribution of the Labour Force<sup>(1)</sup>

## British Columbia

(Thousands of Workers)

| Class                                  | June 1<br>1949 | March 1<br>1949 | June 1<br>1948 | June 1<br>1946 |
|----------------------------------------|----------------|-----------------|----------------|----------------|
| Labour Force.....                      | 450            | 423             | 436            | 387            |
| Employed.....                          | 440            | 401             | 426            | 374            |
| Agriculture.....                       | 39             | 35              | 40             | 30             |
| Forestry.....                          | 21             | 10              | 23             | 15             |
| Fishing & trapping.....                | 8              | 7               | 9              | 11             |
| Mining.....                            | 16             | 15              | 14             | 15             |
| Manufacturing.....                     | 86             | 76              | 84             | 80             |
| Construction.....                      | 38             | 31              | 34             | 25             |
| Transportation &<br>Communication..... | 49             | 48              | 46             | 45             |
| Public Utility.....                    | 3              | 3               | 3              | 2              |
| Trade.....                             | 71             | 69              | 68             | 58             |
| Finance.....                           | 15             | 15              | 14             | 15             |
| Service.....                           | 94             | 92              | 91             | 78             |
| Unemployed.....                        | 10             | 22              | 10             | 13             |

(1) Figures on the labour force; on total and agricultural employment, and on unemployment are based on the Labour Force Survey of the Dominion Bureau of Statistics. The sample used in this survey is not large enough at present to permit estimates to be made for each industry in British Columbia. For the purpose of this table, approximations have been prepared by the Economics and Research Branch of the Department of Labour. These approximations are based on projections of 1941 Decennial Census data by monthly employment indexes and other supplementary information.

The failure of unplaced applicants and number of claimants to fall off significantly during recent months has been due to a number of factors, the most important of which are reduced employment in the logging and wood products' industries and the softening of markets, especially in the sterling area.

## The Outlook

In appraising the outlook for employment in British Columbia during the coming winter, several broad considerations must be kept in mind. The growth of employment in the region has, so far, roughly kept pace with the rapid growth of the labour force. Unemployment has consequently remained at a relatively low level, except for the usual seasonal rises in the winter months and the particularly unusual situation last winter. With the softening of some markets, especially in the sterling area, the rate of growth of employment may begin to decline relative to that of the labour force, with a resultant

increase in unemployment. The degree by which unemployment at September 1, 1949, was greater than at the same date in 1947 and 1948 would suggest that a levelling-off of the post-war expansion may be under way.

Last winter's severe weather demonstrated the vulnerability of the British Columbia economy to vagaries of climate. This is due partly to the importance of the primary industries whose operations depend to a large extent on favourable weather conditions. It is also due, however, to the fact that seasonal industries, which in other regions partially offset employment variations in one another, do not do so to the same extent in British Columbia. In fact, the seasonal slack periods of most British Columbia industries roughly coincide. This fact, as well as some softening in markets for lumber, undoubtedly contributed greatly to the large increase in the number of unplaced applicants during the winter months of 1948-49, shown in the chart on page 8, when unusual weather conditions prevailed. An additional factor, which is becoming more important, is the tendency of seasonal slack periods in some industries to lengthen as production levels off somewhat.

The influx of workers to British Columbia from other parts of Canada each winter is another important factor to keep in mind in appraising the employment outlook in this region. The size of the influx this winter may be modified as a result of last year's experience.

### Manufacturing

Within the manufacturing industries, which provide approximately 20 per cent of British Columbia employment, the processing of food products employed, during 1948-49, from 7,000 to 13,000 workers. Most of the seasonal difference between these figures consists of female casual workers who are not normally part of the labour force.

At June 1, employment in this industry was about 2,000 above the winter trough, and further expansion usually takes place through July, August, September and possibly October, when the seasonal decline commences. Exports of the products of this industry throughout Canada were, at the end of July, slightly below the comparable figures for 1948, and it is unlikely that sterling area markets will improve in the immediate future. The United States market for processed fish and fish products, and the domestic market for substitutes for the now more expensive United States products, however, may improve immediately; but the nature of the industry's raw material and its supply make seasonality of production and employment inescapable.

Employment in the manufacture of iron and steel products has been declining since ship-building activity slackened following the end of the war. Over 17,000 were employed in this industry in March, 1946, but a steady net decline brought the total to 12,000 at June 1, 1949. A further slight decline has taken place since that date.

Although new ship-building contracts have been obtained by British Columbia shipyards, it is not likely that there will be any marked upswing in employment at least until the spring of 1950.



In the British Columbia lumber and lumber products industry, employment at June 1, 1949, was somewhat lower, than at June 1, 1948. The softening already experienced in the Sterling markets for British Columbia lumber products may increase further with devaluation of the £ sterling. On the other hand, the export market for lumber products in the United States is likely to improve as a result of Canadian dollar devaluation and an increase in sales promotion activity by exporters. To what extent gains will balance losses it is difficult to foretell with confidence. There is, however, a definite prospect of increased sales to the United States of both structural lumber and shingles, though not of plywood since the United States tariff is prohibitive. In addition the continuing high level of construction activity has sustained domestic demand. The employment outlook may therefore be considered as generally sound although unlikely to reach last year's level.

Despite market uncertainty, and concurrently with the permanent closing of one independent pulp mill, work has gone ahead on new mills designed to integrate the operation of larger firms. About 10,000 workers were employed in the pulp and paper industry at June 1 --- slightly below the comparable 1948 figure. At the present time, there are relatively few persons registered as unplaced applicants in this industry.

Almost 89 per cent of all Canadian exports of pulp and paper went, in 1948, to the United States and roughly 5 per cent to the United Kingdom. In 1949, total Canadian exports of pulp and paper to the end of August were about 2 per cent below the 1948 figure for the same period; but newsprint orders, on the other hand, were up 13 per cent. Newsprint alone made up 61 per cent of all 1948 pulp and paper exports; and 90 per cent of all newsprint tonnage exported from Canada in 1948 went to the United States. Thus, while United States markets hold up, the outlook for this industry seems favourable. The devaluation of the Canadian dollar may well improve United States markets, as Canadian producers will strive to satisfy United States demand now that export controls have been removed and the sterling area markets are uncertain.

### Primary Industries

Employment in the British Columbia logging industry, which is vulnerable to changes in both domestic and foreign markets through its dependence upon the lumber and pulp and paper industries, was about 21,000 at June 1 --- about 2,000 less than at the same date in 1948. Despite retarding influences such as the forest fire hazard, the closing of marginal operations and the danger of excessive inventories, employment in this industry recovered quickly from the winter trough figure of 9,000 to 10,000 employees.

Through the influences exerted on it by its secondary industries, British Columbia logging will probably experience somewhat lower employment unless E.C.A. dollars are released for expenditure on Canadian forest products. Operators in the United States oppose this since they themselves feel the need for reducing large, high-priced inventories. Assuming a normal winter, however, and considering the outlook for the lumber and pulp and paper industries, it is unlikely that unemployment in British Columbia logging will approach last winter's peak.



The outlook for employment in the British Columbia mining industry is favourable. Employment in this industry has risen slightly since the February trough, maintaining, with few interruptions, a gradual net expansion that began at the close of the war. The June 1 employment total of 16,000 slightly exceeds the 1948 peak at September 1.

New establishments are operating or are under construction in both lead and copper mining. The construction of a steel mill to utilize iron-bearing tailings from the Kimberley copper mine of Consolidated Smelters is now under consideration. Base metals prices have firmed again and future contracts seem assured, especially with the improvement in the competitive position in the United States following devaluation.

The devaluation of the Canadian dollar, will probably provide an immediate upswing in British Columbia gold mining activity. Current operations will probably be intensified; and the re-opening may be expected of some marginal properties which were closed when Canadian -- United States dollar parity was established. The announced reduction of gold "support" payments next year, however, may discourage some of these latter intentions.

The current increase in the price of imported United States coal resulting from dollar devaluation, and of Alberta coal due to recent freight rate increases, may provide added incentive to British Columbia coal operators by improving local market prospects.

Agriculture in British Columbia provides employment for an estimated basic labour force of about 30,000 workers, with seasonal peaks rising beyond 40,000. Local labour is becoming increasingly available to supply peak seasonal demands for harvesters, as indicated by the following data on female fruit-picking help imported from the Prairie provinces.

| <u>Year</u> | <u>Number</u> |
|-------------|---------------|
| 1947        | 865           |
| 1948        | 400           |
| 1949        | 160           |

Despite a decline in crop acreage and value produced from 1947 to 1948, it is estimated that agricultural employment will continue at about the 1948 level through 1949.

British Columbia fisheries employment has declined gradually through the post-war period as indicated in the following table containing data supplied by the Department of Fisheries.

| <u>Year</u> | <u>Total Employment</u> | <u>Primary Employment</u> † |
|-------------|-------------------------|-----------------------------|
| 1945        | 20,000                  | 14,000                      |
| 1946        | 19,500                  | 13,400                      |
| 1947        | 17,900                  | 12,200                      |
| 1948        | 17,300 (est.)           | 11,800(est.)                |

† Primary Employment data based on licenses granted.

Roughly two-thirds of this employment has been in the primary phase of the industry. The variety of catches spreads fishing activity over much of the year, although the active season for salmon fishing, which provides 75 per cent of all fishing employment, extends only from June through October.

Salmon and herring account for over 80 per cent of British Columbia fisheries employment, and large quantities of both are normally exported to sterling area countries. The devaluation of the £ Sterling may thus have the immediate effect of further reducing fishing activity. This would probably affect the processing stage sooner, and to a greater extent, than it would the primary phase. On the other hand, United States markets may strengthen as a result of devaluation of the Canadian dollar and the continual research and development being done in methods of fish storage and transportation.

A substantial level of construction activity continued throughout the 1948-49 slack period with a reported 31,000 employed despite the severity of the winter. At June 1, 1949, there were 38,000 workers employed in the industry, 4,000 more than that for one year earlier.

Construction contracts awarded during the first 8 months of 1949 exceeded by 25 per cent the comparable 1948 figure — a difference of \$11.4 million. During August, 1949, contracts were let to the value of \$9.3 million, exceeding the August, 1948, figure by \$3.5 million, or 59 per cent. Construction employment in British Columbia is likely to carry on at a higher level during the coming winter than during the past.

#### Summary of the Outlook for British Columbia

While the outlook for individual industries is varied, the overall picture does not appear to warrant undue pessimism, despite possible further softening in the sterling area markets. There is evidence, however, that the post-war industrial expansion, which created jobs for 65,000 new workers, is levelling off in certain fields.

The key industries in the British Columbia employment situation during the coming winter are wood products, including logging, and construction. Both employ large numbers, and both are vulnerable to climatic conditions. Logging was particularly hard hit last winter, although construction showed that its activity, at least in the coastal areas, could be maintained at a high level. It is expected that during the coming winter employment in construction will be higher than in the winter of 1948-49. Employment in the wood products industries may be somewhat lower. Although logging employment is currently lower than for this time last year, it is unlikely to decline to the unusually low level of last winter.

Relative stability in transportation and communications, trade, the service industries and many branches of manufacturing, with some increases in mining should help to provide a steady influence in the labour market.

Last winter, persons seeking jobs through National Employment Service offices in British Columbia reached a peak in February of 55,000, or 12 per cent of all workers. The peak was much lower in the winter of 1947-48 when unplaced applicants rose to 32,000 or 8 per cent of the labour force. This winter, unplaced applicants will almost certainly be higher than in 1947-48 but without unusual weather conditions, however, they are likely to be slightly lower than during the peak period of last winter. What is equally serious, however, those who are out of work this winter may be unemployed for a longer time.



## EMPLOYMENT SERVICE ACTIVITIES

An active labour market, especially in agriculture, stimulated placement work during August. Local labour supplies made up most of the farm work force although organized movements of workers from other parts of the country were still necessary. With the increased registrations for work this year, the inadequately trained or inefficient worker was finding it more difficult to secure employment. As a whole, however, unemployment was at a very low level.

The importance of agriculture as a major industry is emphasized each year at this time. Thousands of temporary jobs, generally at good wages, become available for workers in all parts of the country. The grain harvest in the Prairies brings these employment opportunities to a peak during August creating jobs not only for farm hands, but for domestics, clerks in farm equipment stores, grain shovellers and other workers. Added to this are the hundreds of job vacancies which yearly develop at this time in food canning plants.

National Employment Service plays a vital role in bringing the needed workers to these and other seasonal jobs. During the war and early postwar years, extensive recruiting programs and large-scale movements of workers including immigration were necessary to meet the needs of agriculture, and the Employment Service undertook much of this work in co-operation with other interested agencies. This year local labour supplies have been built up to a considerable extent and recruiting no longer presents the same problem. Transients from all parts of Canada registered with employment offices in the Prairies for harvesting jobs. Thus the organized movement of workers from Quebec and Ontario was smaller, about 800 to the end of August, as against 2,100 for the entire movement last year. Farmers have been able to hire more selectively this year and, in some cases, help qualified for handling power machinery.

Similarly in the harvesting of fruit and vegetable crops, particularly potatoes in the Maritimes, it appeared that local labour along with available "floaters" would provide ample manpower. Organized movements of workers for this work have been, and will continue to be, much smaller than last year, including those to the United States. However, spot labour shortages developed in some areas of southern Ontario and the Farm Commando Service which began



the wartime practice of hiring city workers on week-ends and holidays, was again in operation.

The situation in agriculture typified the present state of the labour market. Employers' needs were being met in most cases more satisfactorily than at any time in the past seven years, although a few spot shortages had developed in occupations such as auto mechanics, stenography, domestic work, sales jobs on a commission basis, and various skilled trades. Among other ways, employment offices endeavoured to find the required help through clearance and continued immigration of Displaced Persons.

The increased labour supply had, of course, brought about a substantial rise in registrations for work at employment offices but the labour market was active and unemployment of any degree only existed in a few localized areas. The average length of time for which unemployment insurance claims were on file was shorter than in 1948.

The strength of current hiring activity arose largely from seasonal operations. Replacements for high school students returning to school and renewed hiring following holidays created additional openings during August. The broader selection of applicants, however, made it much more difficult for the unskilled, the untrained and the inefficient to secure employment this year. At the end of August some 137,000 persons had applications for work on file at employment offices. A considerable number of those registered were seeking unemployment insurance compensation for working part time.

Table 1--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                          | Average Weekly |              |              |
|---------------------------------|----------------|--------------|--------------|
|                                 | July<br>1949   | June<br>1949 | July<br>1948 |
| Applications <sup>x</sup> ..... | 31,000         | 32,000       | 30,000       |
| Vacancies Notified.....         | 21,000         | 23,000       | 26,000       |
| Placements.....                 | 14,500         | 15,500       | 16,200       |
| Women.....                      | 4,200          | 4,400        | 4,200        |
| Veterans.....                   | 2,300          | 2,600        | 2,700        |
| Handicapped.....                | 240            | 280          | 280          |
| Executive and Professional....  | 65             | 60           | 75           |

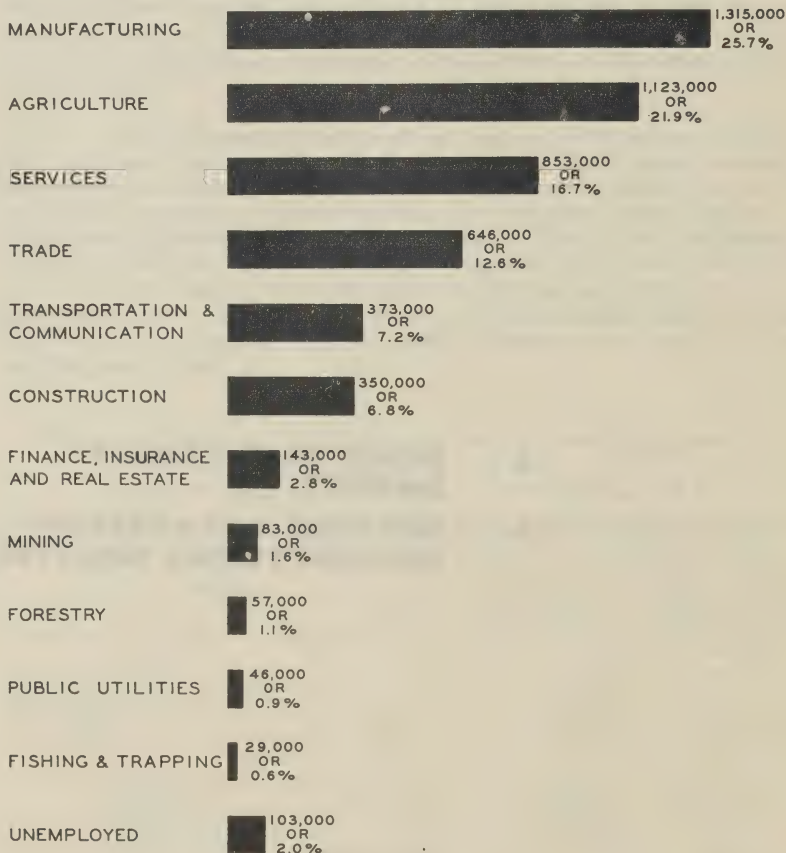
x Renewals not included.

# INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR  
MARKET
- ▲ CURRENT LAY - OFFS IN  
MANUFACTURING INDUSTRIES

# INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT JUNE 4, 1949

TOTAL LABOUR FORCE - 5,121,000



## INDUSTRIAL LABOUR MARKET

While an over-all increase in employment of about two per cent is anticipated during 1949, some shifts of workers between industries seem likely. Gains in employment are expected in construction, mining and communications, in contrast to logging in Eastern Canada, which is at a reduced level. Manufacturing employment, after expanding since 1946, should remain stable or decline slightly. A greater degree of seasonality of employment next winter is foreseen.

### AGRICULTURE.....

Estimated employment (August).....1,186,000

The peak of agricultural activity was reached during August with a better balance between labour demand and supply than at any time for nearly a decade. Requirements for harvesting operations varied by region and type of crop but no serious labour shortages were reported anywhere.

By the end of the month, grain harvesting in the Prairies as well as in Eastern Canada was nearing completion. Consequently, requests for farm help were dropping sharply and labour requirements were chiefly for fruit and vegetable crops. In B.C. and the Maritimes, where such crops are relatively more important, the need for this type of workers was especially heavy. In southern Ontario, the fruit and tobacco harvests were in progress; in other sections in the East, many farmers were engaged in blueberry picking.

Organized movements of farm workers and other supplementary additions to the labour force were less prominent this year as local and transient help generally filled requirements. Several important movements were planned or in progress, however. Immigrants for farm work were still needed and in the first six months of 1949 over 11,000 persons entered Canada for this purpose.

About 1,000 men were sent to the West from Ontario and Quebec. Requirements were smaller this year due to increased mechanization and a greater supply of western farm labour. A surplus of applicants for this trip was reported from several centres. Many farm workers in dried-out areas in the Prairies were moving into districts where crops were better for harvest work.



Wages for farm hands in the West were usually about \$6.00 to \$9.00 per day with \$8.00 to \$12.00 for combine men.

In New Brunswick, potato pickers were applying for work in Maine. Heavy demands for outside pickers were expected from P.E.I.

#### MANUFACTURING.....

Estimated employment (August).....1,315,000

Employment in the manufacturing industries remained relatively stable this summer, although a slight decline from last year's level is forecast for the latter part of the year. Divergent trends are currently apparent within the industry--some sectors are expanding while in other plants lay-offs are taking place.

Industrial expansion has held up remarkably well in 1949 although the number of new manufacturing jobs from this source has been below the record level of 1948. In value, this investment is expected to be well over one-half billion dollars. Heavy investment in the secondary petroleum industry has been an important factor in maintaining investment levels since large new plants are being built in B.C. and Quebec, as well as in the Prairies.

Large-scale lay-offs were reported from a number of manufacturing industries during August. In Quebec, these included primary textile, rubber, and aluminum plants. Overproduction has reduced employment generally throughout the secondary forestry industries on the west coast, and in Ontario, large numbers of workers were released from agricultural implements and non-ferrous metal factories.

In general, the labour market in the manufacturing industries has offered fewer employment opportunities this summer than at any time since expansion began after reconversion in 1946. A period of stable, or possibly declining employment has begun.

SERVICES.....

Estimated employment (August).....847,000

Almost all reports received from National Employment Service local offices indicate continuing labour shortages in this industry. These shortages were increased during the summer by the demands of the summer resort and tourist trades which draw heavily on such occupational groups.

The principal occupations in which demand is currently in excess of supply are domestic workers, waitresses and kitchen help, laundry and hotel employees and similar occupations in which women workers are predominant. Local shortages of workers occurred in certain other occupations such as first class mechanics and service station attendants, spotters, finishers and pressers and some types of casual labour.

Although there was a surplus of female applicants over unfilled vacancies registered with the National Employment Service at the beginning of August, the majority of these were not willing to accept the work or wages offered in service jobs. Over 13,000 applicants were registered as clerical and office workers, 10,000 as unskilled and another 6,000 in sales occupations.

The domestic help situation has been somewhat eased by immigration of D.P.'s. In the first eight months of 1949, the total entering domestic work from this source was 9,381. This year's quota has been set at 13,500. These workers have contracted to spend a minimum of one year in domestic work.

CONSTRUCTION.....

Estimated employment (August).....373,000

Construction activity and employment continues at record levels this season. It is estimated that over 370,000 workers are employed in on-site operations in building, highway and railway construction work across Canada.

The same general shortage of construction workers which occurred in 1948 does not seem to have developed this year. Spot shortages of tradesmen were reported from some areas in Ontario, while others reported no demand for even skilled workers. B.C. reports sizeable surpluses of construction skills at several points which were difficult to reduce because of the lack of mobility on the part of the applicants. The demand for construction labourers in the Prairies was not expected to be met until the harvest was over.

The high volume of construction activity should be well maintained for the rest of the year. Contracts awarded, which usually antedate the completed project by at least six months, have been above 1948 so far this year. In the first 7 months of 1949, the total has been \$618 millions, 8 per cent over the same period last year.

#### LOGGING.....

Estimated employment (August).....56,000

Logging activity during the month of August was confined chiefly to the west coast and, on the whole, job openings in this section of the industry were few in number. There was no critical labour shortage anywhere in the region and a surplus of logging skills was reported from many areas.

There has been a decided drop in demand for various grades of woodpulp and this has resulted in the closing of several pulp mills and reduced operations in others. This has meant lower employment among logging operators whose cut was taken by these firms. Improvement in the rayon market in the United States will result in the re-opening of two large plants in September, however.

In the northern interior, wet weather in the Prince George district has cut production by about 20 per cent, with a consequent reduction in employment. Demands for logging labour in the Prince Rupert area were also poor. Light requirements were reported from the Queen Charlotte islands area.

A reduction of about 30 per cent in the logging cut in the East is expected in the coming season. Logging companies operating in the summer were able to obtain all the woodsmen they required. Applicants are now being screened in order to sort out the less desirable and loggers employed are of a better class than those of the past few years.

Wage negotiations between the International Woodworkers of America (CIO/CCL) and employers in both the primary and secondary forestry industries broke down during August. The demand of the union for a 15 cent-an-hour wage increase was met by a counter-proposal of a reduction of 13 cents by employers. The matter was referred to a conciliation board which recommended that no change be made in the present contract.

FISHING.....

Fishing on both the east and west coasts was seasonally active during August. The following are some comments on the situation in the Maritimes as reported by various local employment offices:

Halifax, N.S.: "Fishing has continued poor during the month....resulting in a slow-down both at sea and in the processing plants."

St. Stephen, N.B.: "Fish have continued short in most sections though the packers have been getting some employment in most factories."

Yarmouth, Digby and Shelburne, N.S.: "The scarcity of fish resulted in a number of people filing claims. Other plants are working short time."

Liverpool, N.S.: "Landings of cod and halibut dropped off during the month but were more than offset by an increase in the number of tuna taken."

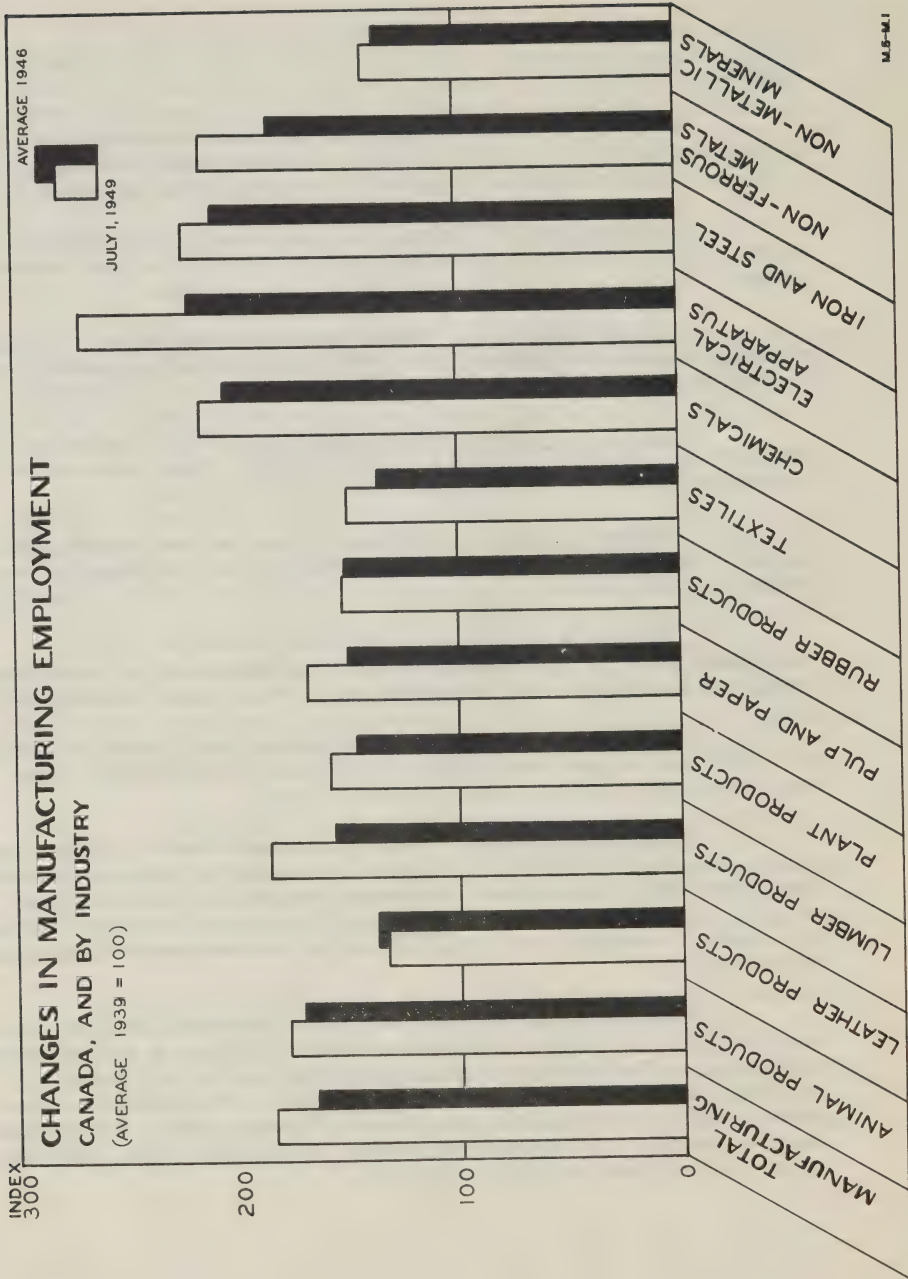
"Herring processing plants along the shore, due to continued heavy run of herring and having relatively no labour turnover, are working at full capacity and a record pack is expected."

Charlottetown, P.E.I.: "The larger fish plants in the area have switched to packing chicken. Good markets reported. Some smaller plants canning clams, mackerel, etc."

Summerside, P.E.I.: "During the past month lobster factories on the south side were re-opened and managers have informed us that they were able to meet the demand for help locally as they usually hire the same personnel year after year. We expect to supply the oyster fishermen with help during the latter part of September or early October."

A higher total pack of salmon is expected this year in B.C., which will be reflected in employment both in fishing and in cannery operations. The new tuna fishing industry was in full swing in northern waters with heavy catches reported. The price this year is down to \$360 per ton from last year's figure of \$600, but several hundred vessels are reported as making profitable trips. The whaling industry also reports good operations.





## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Total lay-offs in August were up 18 per cent from July, although those due to shortages of orders were fewer than in June and July. Loss of export markets caused further staff reductions in plywood manufacturing and aluminium manufacturing. Textiles, pulp and paper manufacturing and shipbuilding were affected by lack of orders. Because of re-tooling, over 1,000 aircraft workers were temporarily released.

Non-seasonal lay-offs in manufacturing industries during August totalled 3,935, an increase of 590 over the previous month. However, the number of persons released because of shortages of orders was lower in August than in June and July. Staff reductions owing to production changes were high, passing the 1,000 mark. Five manufacturing firms went out of business during the past month, leaving 390 persons without employment. Lay-offs for other causes totalled 239.

Iron and steel manufacturing, particularly agricultural implements, experienced further heavy cut-backs during August; shortages of orders, especially from "sterling area" countries, was the reported cause. Loss of export markets was the reason given for the 275 workers being laid off in primary and secondary aluminum manufacturing. Reduced demand for cotton and woollen textiles necessitated lay-offs totalling 330. Weakened markets for wood products, chiefly plywoods, caused staff cut-backs amounting to 275. Sizeable lay-offs also occurred in shipbuilding and repairing and the pulp industry.

A temporary lay-off of 1,050 workers from an aircraft plant accounted for the large number recorded under production changes. Retooling for a new type of aeroplane will take several months, after which time the workers will be rehired.

Lay-offs for other causes, numbering 239, were as follows: plants moved to another area - 141 persons laid off; strikes - 50; more efficient machinery replacing men - 33; shortage of power - 15.

Table I--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off          | August, 1949 <sup>(1)</sup> |          | July, 1949 |          | June 1949 |          |
|---------------------------|-----------------------------|----------|------------|----------|-----------|----------|
|                           | Number                      | Per Cent | Number     | Per Cent | Number    | Per Cent |
| Shortage of orders .....  | 2,256                       | 57.3     | 2,955      | 88.3     | 3,485     | 94.9     |
| Shortage of materials.... | -                           | -        | 160        | 4.8      | 60        | 1.6      |
| Production changes .....  | 1,050                       | 26.7     | 160        | 4.8      | 14        | 0.4      |
| Out of business .....     | 390                         | 9.9      | 70         | 2.1      | 29        | 0.8      |
| Other .....               | 239                         | 6.1      | -          | -        | 84        | 2.3      |
| Total .....               | 3,935                       | 100.0    | 3,345      | 100.0    | 3,672     | 100.0    |

(1) Preliminary figures

Table II--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                               | August, 1949 |          | July, 1949 |          | June, 1949 |          |
|----------------------------------------|--------------|----------|------------|----------|------------|----------|
|                                        | Number       | Per Cent | Number     | Per Cent | Number     | Per Cent |
| Food and Beverages .....               | 39           | 1.0      | 188        | 5.6      | 165        | 4.5      |
| Tobacco Products .....                 | 165          | 4.2      | -          | -        | -          | -        |
| Rubber Products .....                  | -            | -        | -          | -        | -          | -        |
| Leather Products .....                 | 110          | 2.8      | 100        | 3.0      | -          | -        |
| Textile Products .....                 | 330          | 8.4      | 139        | 4.2      | 212        | 5.8      |
| Clothing .....                         | 35           | 0.9      | -          | -        | 171        | 4.7      |
| Wood Products .....                    | 345          | 8.8      | 120        | 3.6      | 223        | 6.1      |
| Paper Products .....                   | 300          | 7.6      | 642        | 19.2     | 1,048      | 28.5     |
| Printing and Publishing..              | -            | -        | -          | -        | -          | -        |
| Iron and Steel Products..              | 793          | 20.1     | 1,158      | 34.6     | 760        | 20.7     |
| Transportation Equipment..             | 1,269        | 32.2     | 323        | 9.6      | 138        | 3.7      |
| Non-ferrous Metals.....                | 303          | 7.7      | 245        | 7.3      | 387        | 10.5     |
| Electrical Apparatus.....              | 14           | 0.4      | -          | -        | 568        | 15.5     |
| Non-metallic Mineral<br>Products ..... | 95           | 2.4      | 280        | 8.4      | -          | -        |
| Chemical Products .....                | 137          | 3.5      | -          | -        | -          | -        |
| Miscellaneous .....                    | -            | -        | 150        | 4.5      | -          | -        |
| Total .....                            | 3,935        | 100.0    | 3,345      | 100.0    | 3,672      | 100.0    |

# REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR  
MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ CAPITAL INVESTMENT IN  
MANUFACTURING INDUSTRIES, 1949

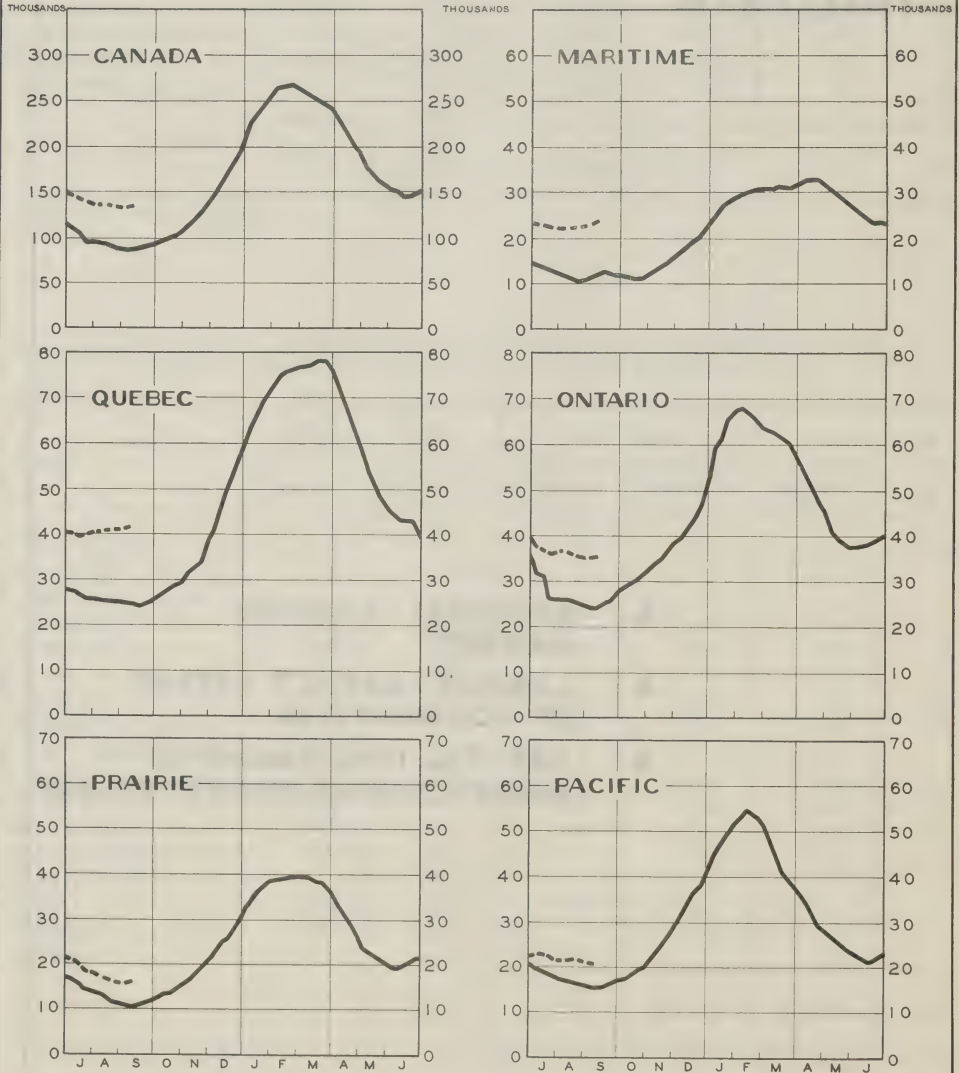


# UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

— JULY 1948 - JULY 1949  
 - - - JULY 1949 TO DATE



## REGIONAL LABOUR MARKET

The level of employment continued high but there were indications in several regions -- the Maritimes, B.C. and Quebec -- that the seasonal peak would occur earlier this year than usual. The chief factor, it would seem, was the slackness in summer logging. In Ontario and the Prairies the seasonal upswing continued; a heavy construction program and harvesting activity were the major influences.

### THE MARITIMES.....

Seasonal industries were in operation during August but adverse conditions in a few areas raised the regional level of unplaced applicants. In Newfoundland especially, market difficulties in the logging industry were causing unemployment.

Farm labour demand was light and easily filled, since with the slackness in logging a surplus of farm labour existed. Harvesting was progressing well and crops were good.

Sawmills were working at capacity to finish last winter's lumber cut. Both lumber and pulpwood cutting operations will be greatly reduced next season because of market conditions, according to most indications. In New Brunswick areas, some operators will start cutting early, and plan to finish before Christmas. In Newfoundland, the paper companies have large stockpiles and the sulphite pulp market is poor. Cutting will likely be restricted; newsprint production should continue to create demand for logs, however. Throughout the Maritime region, winter employment in this industry will probably not provide its usual support to the general employment situation this year, unless market conditions alter favourably.

Fish catches were good on the whole during August, and processing plants were working at capacity in most areas. Newfoundland reported that excellent catches of cod in some districts were balanced by poor catches in others. Whaling was under way and profitable. The lobster season was over in Newfoundland but in full swing in New Brunswick; market and prices were good.

Several coal mines were still on part-time schedules because of lack of orders. However, operators in the Minto area reported that buyers have reduced their coal stockpiles during the summer and market conditions were improving.

Construction was fairly active in most areas, and especially so in Halifax and Moncton.

QUEBEC.....

Employment was adversely affected by several conditions during August and the number of unplaced applicants increased--an unusual trend at this time of year. Sustained hot weather and drought caused considerable damage to crops as well as extensive brush and forest fires.

Manufacturing industries were still adjusting to curtailed export markets. Both lay-offs and shorter hours of work were reported as production schedules were reduced to fit current market conditions. Newsprint operations continued at near capacity, but indications of production cut-backs were beginning to appear. Shoe factories reported an improvement in orders, but were still working below capacity. Clothing firms were busy, but many primary textile plants were operating only part-time due to both seasonal and market influences.

Construction activity remained and no slackening was expected until late Fall. Skilled tradesmen were scarce, although labourers were plentiful. Residential construction has been greater than industrial, particularly apartment building, which ranges from small units to million dollar projects.

Farm labour needs were much lower than usual because of drought. The movement of farm workers to the western harvest proceeded well; three hundred persons had been sent by the end of August. The yearly movement of potato pickers to Maine was being organized, but the quota was below last year's requirements.

Trade and service industries were stimulated by the influx of tourists. Although there are more tourists than usual, their stay is shorter and their spending less than in previous years.

A marked decline in woods operations this fall was predicted.

Shawinigan Falls--Market conditions caused lay-offs in the aluminum and paper industries, and affected employment in chemical production.

Asbestos--Since the strike ended, production in the asbestos industry has steadily increased and, contrary to certain rumours, three shifts are in operation. However, some 200 workers were not yet back to work, since new workers hired during the strike had filled their jobs.

ONTARIO.....

Seasonal activity was well sustained during August, and the general employment situation was very satisfactory. A heavy volume of construction work stimulated the labour market, and manufacturing industries showed revived activity after the holiday period.

Grain harvesting was largely completed during the month. Demands for harvesters varied from area to area, since drought conditions seriously affected crops in some districts. The Farm Commando Service supplied harvesters to areas where help was needed, and all urgent farm labour requirements were met. The hot dry weather produced good crops of fruit and vegetables, which not only stimulated demand for pickers, but will mean a high level of employment in food processing and canning.

Since the holiday period there has been a definite pick-up in industrial employment. Several industries which had been obliged to adjust production schedules downward to meet a lower demand, reported an improvement in market conditions which enabled minor expansion of operations. Pulp and paper, and iron and steel industries were in this group. Newsprint companies and sawmills were working at capacity. The automobile industry was in full production. On the other hand, agricultural implement production was being cut further as seasonality returns to this industry, and will be scaled down this winter to well below the 1948 level.

Hydro power cuts have already been necessary and may affect production schedules in some areas shortly.

Gold mining was active and a shortage of labour existed. Several mines were even willing to take inexperienced labour for training for underground work in one area. Silver mining in the Kirkland Lake area continued stable; completion of the new smelter was planned for this Fall since the scope of underground operations during the winter will depend on the smelter.

London---Construction of \$5,000,000 plant for the production of diesel engines will start shortly, with production scheduled to begin next year. The plant will employ about 1,000 workers at capacity, and will stimulate other industries through purchases of tools, machinery and equipment.



## THE PRAIRIES.....

Employment conditions were very buoyant during August. Harvesting activity boosted employment in all provinces. The construction program continued unabated, with heavy demand for skilled tradesmen. The logging and meatpacking industries were making preparation for fall operations.

Harvesting was almost completed in Manitoba and was progressing well in Saskatchewan and Alberta. Demands for harvest help were well met throughout the region. In Manitoba, eastern harvesters arrived to ease the labour supply situation and many of these have followed the harvest West. Saskatchewan and Alberta reported that the supply of harvesters was keeping ahead of demand, this situation was partly due to the influx of transient workers from the east and from other sections of the Prairies where crops were poor. The sugar beet crop in Alberta was expected to be the best yet; its harvest near the end of September will employ many workers now harvesting grain.

Construction was active in most areas. Residential construction exceeded the 1948 level in some districts, and fell below it in others. Skilled workmen in all trades were in great demand. Unskilled labourers were absorbed in public works projects or else found employment in harvesting. Labour turnover was markedly less than last year. Commenting on the outlook for construction this winter, many builders anticipated a return to normal winter operations. The level of activity will probably be lower than last winter since the costs of cold weather construction are high, and buyers no longer are willing to support high prices. More unemployment for construction workers may result therefore.

Meatpacking plants reported that despite the drop in overseas export trade, they expected business to parallel last year's. Flour mills reported a steady domestic market, but a continuing slump in export markets has affected production.

The Lakeland Area--December is the month of seasonal shut-downs in this district and it is expected that about 2,000 men will be laid-off, including many at present employed in construction, grain handling and other transportation activity. Employment in the woods industries has usually aided in taking up the slack, but this year prospects are poor. It is hoped that the customary influx of men from outside points can be halted, since they will only aggravate the situation.

THE PACIFIC,.....

Employment levelled off during August contrary to the usual upward seasonal movement at this time. Construction was the only industry showing any great activity. Union negotiations were underway in many industries and operators were delaying further production plans until agreement was reached.

The logging, sawmill and shingle mill industries were all involved in labour negotiations. The outcome could not be forecast, but the recommendations of a conciliation board had been rejected by the policy committee of the union involved, and a recommendation was being made to the membership that a strike vote be taken. This situation held back any further seasonal expansion until settlement.

Labour demand in logging remained about average. Some smaller camps were closing because of poor markets for cedar and hemlock, but no drastic change was reported. In the Prince George area, however, bad weather forced a 20 per cent reduction in both logging and sawmill operations.

Sawmills in other area reported little change during the month; cedar and hemlock stock piles continued to accumulate. Small sawmills were starting to feel the pinch of lower prices and reduced demand; some were cutting production or working part-time. The ones affected were either the portable type or older ones with relatively high-cost, out-of-date facilities.

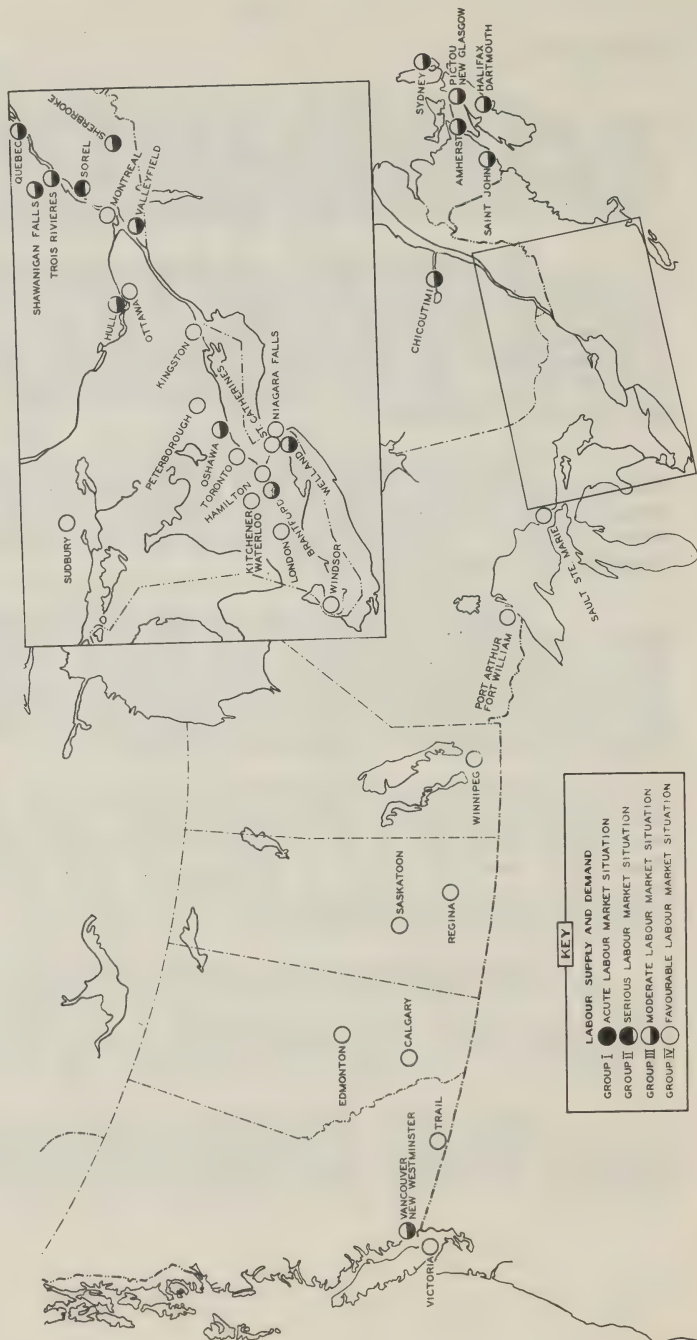
Plywood plants were curtailing operations because of poor market conditions. The shingle market, on the other hand, was fairly brisk and all mills operated at normal capacity. Conditions remained stable in the pulp and paper industry. The re-opening of plants at Woodfibre and Port Alice was tentatively scheduled for late in September.

Construction activity increased during the month. Trowel tradesmen were scarce but most other skilled tradesmen were available. Conciliation between contractors and the Plumbers' and Steamfitters' Union in Vancouver failed and a strike vote was to be taken.

During August, only a few men arrived from other provinces seeking jobs, but there was a marked influx of women looking for employment. Most of these were from the Prairie provinces.

# A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT SEPTEMBER 1, 1949



## LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unemployed applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at September 1, 1949, at August 1, 1949, and at September 1, 1948.

This classification is based on a ratio of unemployed applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I---Areas in which there are more than 300 unemployed applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II---Areas in which there are between 150 and 300 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III---Areas in which there are from 50 to 150 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV---Areas in which there are under 50 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for August and September of 1949 are preliminary.



LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>Sept.1,<br>1949 | Group Rating    |                |                 |
|----------------------------------------|--------------------------|-----------------|----------------|-----------------|
|                                        |                          | Sept.1,<br>1949 | Aug.1,<br>1949 | Sept.1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                          |                 |                |                 |
| Quebec.....                            | 85                       | III             | III            | III             |
| Vancouver.....                         | 78                       | III             | III            | III             |
| Windsor.....                           | 46                       | IV              | IV             | IV              |
| Victoria.....                          | 37                       | IV              | IV             | IV              |
| Winnipeg.....                          | 35                       | IV              | IV             | IV              |
| Hamilton.....                          | 33                       | IV              | IV             | IV              |
| Calgary.....                           | 32                       | IV              | IV             | IV              |
| Ottawa.....                            | 32                       | IV              | IV             | IV              |
| Montreal.....                          | 24                       | IV              | IV             | IV              |
| Edmonton.....                          | 22                       | IV              | IV             | IV              |
| Toronto.....                           | 20                       | IV              | IV             | IV              |
| <u>Population of 50,000 to 100,000</u> |                          |                 |                |                 |
| Sydney.....                            | 119                      | III             | III            | III             |
| Saint John.....                        | 87                       | III             | III            | III             |
| Halifax.....                           | 63                       | III             | III            | III             |
| Fort William - Port Arthur.....        | 49                       | IV              | III            | IV              |
| London.....                            | 21                       | IV              | IV             | IV              |
| Regina.....                            | 14                       | IV              | IV             | IV              |
| Kitchener-Waterloo.....                | 7                        | IV              | IV             | IV              |
| <u>Population of 25,000 to 50,000</u>  |                          |                 |                |                 |
| Shawinigan Falls.....                  | 110                      | III             | III            | IV              |
| Hull.....                              | 105                      | III             | III            | III             |
| Sherbrooke.....                        | 95                       | III             | III            | IV              |
| Chicoutimi.....                        | 72                       | III             | III            | IV              |
| Brantford.....                         | 61                       | III             | III            | IV              |
| Oshawa.....                            | 54                       | III             | III            | III             |
| Three Rivers.....                      | 53                       | III             | III            | IV              |
| St. Catharines.....                    | 37                       | IV              | IV             | IV              |
| Peterborough.....                      | 36                       | IV              | IV             | IV              |
| Kingston.....                          | 33                       | IV              | IV             | IV              |
| Saskatoon.....                         | 24                       | IV              | IV             | IV              |
| Sault Ste. Marie.....                  | 18                       | IV              | IV             | IV              |
| Sudbury.....                           | 13                       | IV              | IV             | IV              |
| <u>Population of under 25,000</u>      |                          |                 |                |                 |
| Sorel.....                             | 247                      | II              | II             | IV              |
| Welland.....                           | 109                      | III             | III            | IV              |
| Picton - New Glasgow.....              | 98                       | III             | III            | III             |
| Valleyfield.....                       | 94                       | III             | III            | III             |
| Amherst.....                           | 84                       | III             | III            | IV              |
| Niagara Falls.....                     | 22                       | IV              | IV             | IV              |
| Trail.....                             | 19                       | IV              | IV             | IV              |

## CAPITAL INVESTMENT IN MANUFACTURING INDUSTRIES, 1949

Expenditures for the construction of new manufacturing plants will form a large segment of the approximately \$3 billion spent on capital investment in Canada in 1949. This investment will not only have the direct effect of increasing employment in construction and factory trades but will also provide secondary employment expansion through its impetus to further expenditures on consumer and capital goods. The following article is concerned mainly with these secondary effects on employment.

Since many economists to-day are of the opinion that one of the major determinants of the level of employment is the volume of investment, the trend of capital investment in the manufacturing industries is of vital significance to the economy as a whole. This year, it is expected that about one-fifth of the total investment in durable physical assets in Canada will arise out of the manufacturing industries. The "multiplier" effect of this investment on employment will be correspondingly important.

The information provided monthly in this column refers mainly to one type of manufacturing investment only, construction of new plants. During the first eight months of 1949, the volume of new construction in this field has held up remarkably well. A decline was to be expected after the wartime backlog was caught up with, but this has not been too evident so far.

The Department of Labour has received over 300 reports so far this year from firms which have been reported as expanding productive facilities. A study of these indicates that the number of instances of new plant construction this year has been about the same as in 1948 but the direct effect on manufacturing employment has been less marked. In value, contracts awarded for industrial construction in the first six months of 1949 were nearly equal to the 12-month total last year.

New construction, however, accounts for only about one-quarter of the total expenditure on plant and equipment in the manufacturing industries. When expenditures on other types of investment are taken into account, it is estimated that there will be a slight decline in total investment from last year.

Increased investment is expected this year in certain other sections of the economy, however. These include agriculture, fishing, public utilities and residential and institutional building. A decline in investment in inventories is forecast. On the whole, total investment in 1949 should be about the same, or slightly higher than in the previous year.

For 1950, private investment should reflect the running out of the more urgent backlog of requirements in a number of fields. A moderate decline from the record levels of 1949 can be anticipated.

# INDUSTRIAL EXPANSION AND NEW JOBS

First quarter, 1949

| Area           | Name of Company                           | Industry             | No. of<br>New Em-<br>ployees |
|----------------|-------------------------------------------|----------------------|------------------------------|
| <u>Quebec</u>  |                                           |                      |                              |
| Cookshire      | R. Wallace & Sons of Canada, Ltd.         | Non-ferrous Metals   | 15                           |
| Granby         | The Newey Bros. (Canada) Ltd.             | Iron and Steel       | 40                           |
| Marieville     | Regent Tanning Corporation                | Leather Products     | 30                           |
| Montreal       | New York Wire Works Ltd.                  | Iron and Steel       | 10                           |
| <u>Ontario</u> |                                           |                      |                              |
| Chatham        | Erie Beverages Ltd.                       | Food and Beverages   | 3                            |
| Brantford      | William J. Campbell Co. Ltd.              | Electrical Apparatus | 20                           |
| Hamilton       | Jervis B. Webb Company of Canada,<br>Ltd. | Iron and Steel       | 15                           |
| Ingersoll      | Ingersoll Cheese Co.                      | Food and Beverages   | 15                           |
| London         | Glen Purvis Enterprises Ltd.              | Iron and Steel       | 45                           |
| Toronto        | Dayton Rubber Co. (Canada) Ltd.           | Rubber Products      | 7                            |
| Toronto        | Ditto of Canada Ltd.                      | Paper Products       | 5                            |
| Toronto        | Industrial-Electro Plating<br>Company     | Non-ferrous Metals   | 5                            |
| Toronto        | John T. Hepburn Ltd.                      | Iron and Steel       | 10                           |
| Toronto        | Pepsi Cola Ltd.                           | Food and Beverages   | 63                           |
| Toronto        | Shulton (Canada) Ltd.                     | Chemicals            | 33                           |







A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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Government  
Publications

FEATURE ARTICLE\_\_\_\_\_

Employment Conditions  
in the Prairie Region.

Volume 5

Number 10



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CANADIAN LABOUR MARKET, October, 1949

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CANADIAN LABOUR MARKET  
Economics and Research Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

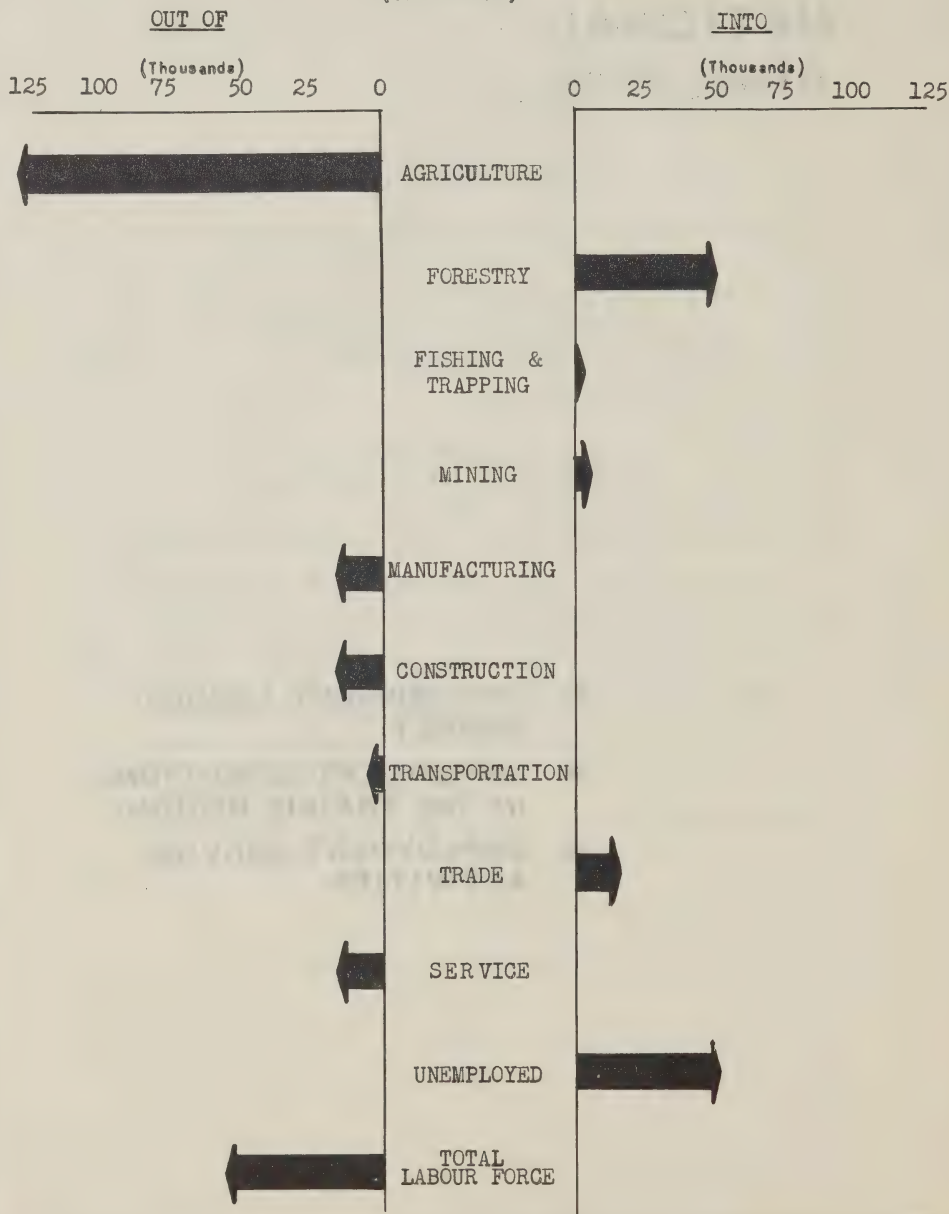
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

# NATIONAL ANALYSIS.....

- ▲ THE CURRENT LABOUR  
MARKET
- ▲ EMPLOYMENT CONDITIONS  
IN THE PRAIRIE REGION
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES

# LABOUR FORCE SHIFTS OF MALE WORKERS SEPTEMBER TO NOVEMBER

(estimated)



## THE CURRENT LABOUR MARKET

Employment levels as a whole remained stable during September. Seasonal operations slackened to some extent as farm employment passed its summer peak and the shift out of agriculture into logging, construction and manufacturing was beginning in most areas. The tourist trade had also fallen off and much-needed service help was again available for employment in city hotels and restaurants.

Construction employment continued strong. Latest reports indicate that this year's construction labour force has been about 50,000 above that of 1948 with no apparent indication of a slackening in the level of operations as long as the fine weather holds. Labour demand continued strong in all regions during September with some shortages of skilled labour reported. Unskilled labour was in plentiful supply.

Manufacturing employment has not expanded over last year's level. Generally demand for workers has levelled off. During September, employment was sustained by seasonal activity in the food processing industries and to a lesser extent, in the clothing industry. Increases in employment over the year were most marked in the electric power, beverages and automobile industries. On the other hand, extensive decreases of employment had been registered in shipbuilding, and to a lesser extent, in farm implement plants, the aluminum industry and pulp and paper manufacturing.

Seasonal activity in the Prairie provinces and British Columbia was well maintained. Unplaced applicants, which were at a very low level, increased only slightly as harvesting ended in many areas in the Prairies; construction work continued at peak activity. In British Columbia, unplaced applicants declined, reversing the slight upward trend during August. Most logging companies had resumed operations, and almost all plants in the shingle manufacturing industry were operating at full capacity.

Seasonal activity in the Maritime and Quebec regions passed its peak during September. Harvesting was almost over and at this time of year many workers switch to jobs in the woods. This year, however, these would not likely be as plentiful, since operations have been curtailed pending clarification of the export market situation.



In Ontario, unplaced applicants rose slightly during the month. Nevertheless, construction and manufacturing activity were well maintained. Automobile production in Oshawa and Hamilton showed further expansion during September and substantial hiring took place. The effects of currency devaluations on this highly industrialized region were not yet apparent and it is likely some readjustment to changing markets will take place in the next few months.

During September, unplaced applicants throughout Canada rose by approximately 6,000. With a fair backlog of vacancies at employment offices, most of the job-seekers were being quickly channelled back into employment. Replacements for students returning to school, rehiring following holiday closeups, increased production because of Christmas orders, all lent impetus to an active hiring period.

Payments of unemployment insurance benefits during the first eight months of 1949 totalled just under \$50 million. This is 62 per cent higher than for the comparative period of 1948. Increased coverage, higher benefit rates, and greater unemployment last winter have brought this about. Shared by all provinces, the upswing did not necessarily mean longer periods of unemployment, especially during the last few months, when an improvement over the year was noted.

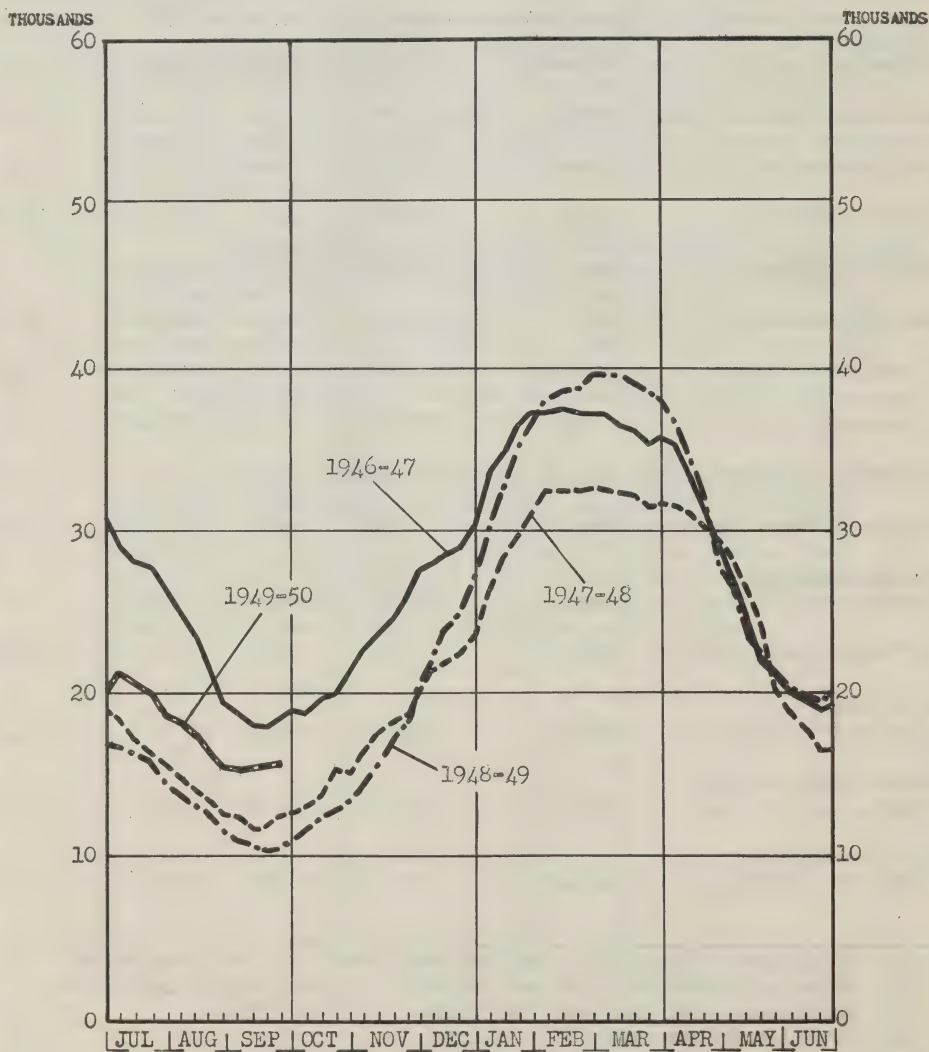
Labour income during the first seven months of 1949 exceeded the total for the same period in 1948 by 10 per cent. Both the additional number of workers employed and wage increases granted during the year were important factors in the rise. At the same time, the number of hours worked were tending to drop slightly. The trend was somewhat accentuated by a 20 per cent rise in time loss due to strike action over the year.

SELECTED LABOUR MARKET TRENDS

| Indicator                                        | Latest Data |               | Percentage Change   |                           |                                              |
|--------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                  | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration .....                                | August      | 7,900         | -26.1               | -28.4                     | - 9.3                                        |
| Civilian Labour Force (a)....                    | June        | 5,121,000     | + 4.5               | + 1.8                     | - 1.7                                        |
| Total Employment (a) .....                       | June        | 5,018,000     | + 6.8               | + 1.4                     | + 1.1                                        |
| Total Unemployment (a).....                      | June        | 103,000       | -48.3               | +25.6                     | +26.9                                        |
| Industrial Employment (b)....                    | Aug. 1      | 2,163,000     | + 0.4               | - 0.1                     | + 1.5                                        |
| Unplaced Applicants (c) .....                    | Oct. 1      | 143,000       | + 4.1               | +63.8                     | +32.9                                        |
| Live Claims (d).....                             | Sept.1      | 81,000        | + 1.1               | +82.5                     | +44.9                                        |
| Labour Income .....                              | July        | \$651,000,000 | + 1.2               | + 7.2                     | + 9.5                                        |
| Average Weekly Earnings (e)..                    | Aug. 1      | \$ 41.44      | 0.0                 | + 6.2                     | + 8.8                                        |
| Average Hourly Earnings (e)..                    | Aug. 1      | \$ .99        | - 0.2               | + 6.7                     | + 9.8                                        |
| Real Weekly Earnings<br>Av. 1946 = 100 (f).....  | Aug. 1      | 104.1         | - 0.5               | + 2.7                     | + 3.7                                        |
| Average Weekly Hours (e).....                    | Aug. 1      | 41.9          | + 0.2               | - 0.5                     | - 0.9                                        |
| Cost of Living<br>Av. 1935-39 = 100 .....        | Sept.1      | 162.3         | - 0.3               | + 2.1                     | + 4.6                                        |
| Man Working Days Lost by<br>Strikes .....        | Sept.       | 67,000        | +87.8               | -41.0                     | + 9.6                                        |
| Industrial Production<br>Av. 1935-39 = 100 ..... | August      | 178.4         | - 0.8               | + 1.2                     | + 1.8                                        |

- (a) Estimated on basis of a one per cent sample of the population
- (b) Based on firms of 15 or more workers in nine leading industries
- (c) Registered with National Employment Service Offices.
- (d) Ordinary Claims only.
- (e) Wage earners in manufacturing only.
- (f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.

# UNPLACED APPLICANTS — PRAIRIE REGION 1946 TO DATE



## EMPLOYMENT CONDITIONS IN THE PRAIRIE REGION

The general employment outlook for the Prairie region is relatively good. Discoveries and developments, especially in mineral resources, are helping to buoy the regional economy. Fewer workers are expected to seek winter employment in other regions and a level of unemployment slightly higher than last winter's is indicated.

The current employment situation in the Prairie region, while somewhat less encouraging than at this time last year, remains favourable. At present, unemployment is estimated as little over one per cent of the labour force. This winter, however, it is expected to slightly exceed that of last year.

During the coming months, the usual seasonal increase in unemployment will take place. It is expected that this rise will be greater than during 1948-49, since the number of workers released from employment is likely to be at least as great as last winter and fewer workers may be leaving to seek employment in other regions. Even so, the winter level of employment is not expected to be severe, especially relative to other regions of Canada; but the concentration of unemployment in the Lakehead area, for instance, is likely to warrant particular concern. The recent chain of currency devaluations is not likely to have any significant impact on the Prairie economy during this winter.

### THE CURRENT SITUATION

Due principally to an early, light harvest, the number of unplaced applicants in the Prairie Region began to increase this year two or three weeks earlier than usual, rising from about 15,100 at September 1 to about 15,800 at October 1. This latter figure exceeds by some 4,800 the figure for October 1, 1948, and represents an increase of 43 per cent. This was the lowest percentage increase in any region except British Columbia. The increase for the whole of Canada was 64 per cent.

The relative position of current unplaced applicants data for the Prairies among the post-war years is shown in the following table and in the chart on Page 8.



Unplaced Applicants - Prairie Region  
At October 1

|           | <u>Total</u> | <u>Male</u> | <u>Female</u> |
|-----------|--------------|-------------|---------------|
| 1946..... | 18,853       | 13,863      | 4,990         |
| 1947..... | 12,614       | 8,048       | 4,566         |
| 1948..... | 11,010       | 6,295       | 4,715         |
| 1949..... | 15,776       | 9,409       | 6,367         |

To place these unplaced applicants data in proper perspective, however, it must be borne in mind that the labour force of the Prairie provinces has declined an estimated 46,000 between June, 1946 and June, 1949—a drop of about 4.5 per cent—and about 13,000 between June, 1948 and June, 1949. The trend in all other regions has been upward. This decrease in the labour force makes the increase in unplaced applicants in the region more significant; although, relative to the labour force, the Prairie unplaced applicants figure is only about 1.5 per cent, the lowest in Canada. The ratio of unplaced applicants to the labour force is just under 3 per cent for Canada as a whole, and ranges from 2 per cent in Ontario to 4.5 per cent in the Maritimes<sup>1</sup> and British Columbia. It should also be borne in mind that the whole of this decline in the Prairie labour force occurred in the agricultural labour force, and was only offset to some extent by a moderate increase in the non-agricultural segment.

Had it not been for immigration into the region, however, the decline in the total Prairie labour force during the past year would have been still greater. From June 1, 1948 to May 31, 1949 an estimated 10,400 adult male immigrants entered the Prairie Region. Of these, it is estimated that about 7,500 were farming class immigrants.

A comparison of employment figures from the most recent labour Force Survey, taken in June, with data for June, 1948, reveals an estimated drop in employment of some 16,000 persons. A picture of general manpower distribution among Prairie industries is given in the following table.

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<sup>1</sup>For this computation, unplaced applicants for Newfoundland were included in the Maritime total, and the D.B.S. estimate of the Maritime regional labour force was increased by an estimate of the Newfoundland labour force based on the 1945 Newfoundland census. Excluding Newfoundland, the ratio of unplaced applicants to the Maritime regional labour force is about 4 per cent.

# Approximate Distribution of the Labour Force<sup>1</sup>

## Prairie Provinces

(Thousands of Workers)

| Class                    | June/49 | Mar/49 | June/48 | June/46 |
|--------------------------|---------|--------|---------|---------|
| Labour Force .....       | 976     | 912    | 989     | 1,022   |
| Employed .....           | 965     | 883    | 981     | 1,007   |
| Agriculture .....        | 440     | 402    | 479     | 507     |
| Forestry .....           | 2       | 7      | 4       | 5       |
| Fishing & Trapping ..... | 5       | 4      | 6       | 7       |
| Mining .....             | 23      | 23     | 20      | 19      |
| Manufacturing .....      | 101     | 93     | 97      | 100     |
| Construction .....       | 54      | 37     | 47      | 44      |
| Transportation .....     | 86      | 81     | 82      | 84      |
| Public Utilities .....   | 7       | 6      | 6       | 6       |
| Trade .....              | 96      | 89     | 90      | 89      |
| Finance .....            | 14      | 13     | 13      | 13      |
| Services .....           | 139     | 128    | 147     | 134     |
| Unemployed .....         | 11      | 29     | 8       | 15      |

<sup>1</sup>Figures on the labour force, on total and agricultural employment, and on unemployment are from the Labour Force Survey of the Dominion Bureau of Statistics. Since the sample used in this survey is not large enough to permit estimates to be made for each industry in the Prairie provinces, the figures for all other industries are approximations prepared by the Economics and Research Branch, Department of Labour. These approximations are based on projections of the 1946 Quinquennial Census data by monthly employment indexes and other supplementary information.

In general, the decline of agricultural employment in the Prairie region since the end of the war has been greater than the decline in the labour force, and has more than offset the growth of the non-agricultural labour force.

## THE OUTLOOK

In examining the probable employment situation in the Prairie region during the coming winter, it is important to keep in mind that employment there is sharply affected by seasonal fluctuations. Fortunately, high winter activity in forestry, coal mining and certain branches of manufacturing counteracts to some extent slackening employ-

ment in agriculture, construction, transportation, and communications.

The dominant position of agriculture in the economy of the region must also be kept in mind. When farm income from grain growing is high there is a tendency for fewer persons to seek employment off the farm in the winter.

Another important consideration is the extensive development of mineral resources in the Prairies region and North-West Territories, particularly the petroleum industry. Although unlikely to provide a large direct impetus to employment in the immediate future, these developments give an air of optimism which helps buoy up the economy of the region.

### Primary Industries

Employment in Prairie agriculture is estimated to have been 438,000 in June, some 31,000 less than one year earlier and about 68,000 less than in June, 1946. Seasonal variations in agricultural employment have been progressively smaller through the post-war years, especially among male workers, as mechanization of operations extended the scope and efficiency of the basic male agricultural labour force.

The outlook for Prairie agriculture this winter is somewhat uncertain. Undoubtedly many people will be leaving the industry again this fall looking for employment elsewhere, although the numbers that leave will be smaller because there are fewer there to leave. A large proportion of them is likely to remain in the Prairie provinces, however, since there will not be the number of winter employment opportunities in B.C. and the Lakehead area that there have been in the past years. On the other hand, the lighter crops this summer in many areas, especially in Saskatchewan and Alberta, will encourage workers to seek to augment their farm earnings by income from other industries. Offsetting this are the substantial back payments early this spring covering previous sales of grain, refunds of wartime compulsory savings, increased family allowances, and the increasing Government price support activity. In addition, livestock production may well exceed the 1948 level, and exports so far this year have been considerably higher than last year. It would appear that the number of unemployed among agricultural workers will not be significantly higher than last winter in the region.

Of the total logging employment in the region, estimated at between 15,000 and 20,000 at peak periods, about two-thirds is located in the Lakehead area, for which adequate employment data are not available. Primarily a winter occupation, logging at the Lakehead is expected to employ fewer workers during the coming months than during 1948-49, although earlier forecasts of sharply reduced activity have since been



modified. On the other hand, the usual movement of workers into Lakehead logging from the Prairie provinces and other parts of Ontario is not likely to be as large as formerly. Market prospects for the products of industries secondary to logging are favourable, and it seems probable that employment in this industry during the coming winter may approximate that of last winter.

Employment in Prairie fisheries declined from 1946 through 1947 and 1948 to an estimated 5,000 in 1949. Licenses issued for the 1949 Manitoba summer fishery were at least 10 per cent below the 1948 figure. Catches in 1948 were average to poor, especially in Manitoba, and the 1949 results to date indicate little change. Domestic sales are likely to increase as a result of improved methods of marketing, and there seems little likelihood of much short-run change in export markets, despite currency re-alignments. The U.S. market, however, may prove somewhat more attractive, although it currently absorbs some 70 per cent of Canadian fisheries exports. Employment in Prairie fishing is likely to show very little change, or perhaps to decrease slightly.

Employment in mining in the Prairie region has increased from an estimated 19,000 in June 1946, to about 23,000 in June, 1949. Coal mining, which is confined largely to Alberta, employed over 8,800 in that province at the January peak, and about 7,300 at June 1. This is about 400 less than in June, 1948; but is not an accurate picture of employment in the industry, since a lack of orders, unfavourable weather for strip and open-pit mining, and a shortage of railway cars (which is expected to be aggravated by fall grain shipments) have given rise to extensive short-time work and a few lay-offs. Despite this, unplaced applicants data show very few persons seeking employment in mining in the region. The mechanization of coal mining operations, which is proceeding steadily, is likely to reduce the labour requirements of this industry.

The market for Prairie coal appears likely to improve as a result of the devaluation of the Canadian dollar. Since U.S. coal is now more expensive, Prairie coal operators may well find market opportunities in British Columbia and parts of eastern Canada. However, many Prairie coal users are converting to natural gas or fuel oil, and local markets may contract somewhat. In addition, increased freight rates have reduced the possible price advantage of Alberta coal over U.S. coal in eastern markets, and some mine operators have increased their prices to offset the higher cost of machinery imported from the U.S. There is little or no likelihood that western U.S. markets for Alberta coal may be expanded unless the current strike in the U.S. is protracted.

The immediate outlook for employment in Prairie coal mining appears to indicate a winter level about equal to that of 1948-49, with



a greater seasonal reduction following.

Iron mining in the Prairie Region is carried on principally in the Lakehead area, where the Steep Rock Mine is expanding production and has increased employment from 430 at June 1, 1948, to 534 at June 1, 1949. The increase is continuing, with a September 1 figure of 572 and a forecast by the firm of 600 for January 1, 1950. However, these figures do not, as yet, substantiate reports that Steep Rock will treble its early 1949 employment figure by late 1950. Markets for iron ore are holding up well, and it is probable that increased amounts will be exported. Employment in the industry should show a gradual increase.

Activity in gold mining in the Prairie Region is likely to expand with the development of mining properties, and especially of the Yellowknife discoveries in the North-West Territories. Some inactive marginal properties may be re-opened as a consequence of Canadian dollar devaluation, but the announced gradual reduction of Government price support payments may act as a deterrent in this connection. Base metals operations throughout the Prairie Region appear likely to maintain current levels of employment, since U.S. markets have strengthened.

Adequate data regarding employment in the production of petroleum products and natural gas are not available, but the 1949 employment level probably has been between 6,000 and 10,000. The indirect effects of discoveries and developments of these resources have been, and are likely to be, greater than the direct. Longer-term increases in employment may occur in many industries as a result of these developments. The earliest significant upturn on this account, however, is likely to be in the spring of 1950, with the start of pipeline construction, although early recruiting for this project may have some bearing on the level of unemployment in March. Beyond this possibility, little is likely to occur in the immediate future other than a general buoying up of the regional economy.

### Manufacturing

The manufacturing group of industries provides slightly more than 10 per cent of all employment in the Prairie Region, with almost half of the manufacturing employment concentrated in Manitoba. The textiles industry, located almost entirely in this province, is experiencing a continuing shortage of skilled workers and trainees, but nevertheless employed, at June 1, almost 5,700 workers, an increase of 600 over June 1, 1948. The number of workers involved in the employment variations in this industry, with late winter peaks and summer troughs, are too small to affect significantly the seasonal declines in other industries.

The Prairie textiles industry caters almost exclusively to the domestic market, and stands to suffer as a consequence of the devaluation of the pound Sterling and the Canadian dollar. The increased cost of yarns, other materials and equipment imported from the U.S. will prevent Canadian firms from effectively meeting the price competition of textile imports from Europe, now cheaper in Canadian markets as a result of devaluation. Increased freight rates may give an advantage to the Prairie textile manufacturers in Prairie and western Canadian markets, but will probably increase the advantage of European products in eastern markets. To protect themselves against loss through changes in current styles, this industry's customers are insisting on the prompt completion of orders, the alternative being their cancellation. This tends to accentuate the seasonal nature of employment in the textiles industry, and therefore suggests a slightly higher level of employment in the Prairie textile industry this winter.

The manufacture of iron and steel products in the Prairies employed, at June 1, about 22,900, some 600 above the comparable 1948 figure. Although peak activity in this industry normally is reached in the fall, the 1948 employment record shows very irregular small fluctuations which have continued into 1949. Under these circumstances, the June 1, 1949, employment figure may well be the 1949 peak, since available subsequent figures are slightly lower. Due to a shortage of imported U.S. steel forms and a subsiding market, there were scattered reductions in working time and some small lay-offs. There is no evidence to suggest any change in this general situation, although a Port Arthur concern has obtained a contract for the construction of a small naval vessel; and, if protracted, the current U.S. steel strike may create further shortages. With small seasonal fluctuations, employment in this industry seems likely to continue at about the level it has maintained since March, 1948; i.e., 21,000 - 23,000.

Employment in the lumber and lumber products industry in the Prairie Provinces has varied between 4,000 and 5,500 since March, 1946, and was about 5,200 at June 1, 1949. This exceeds by some 700 the figure for June 1, 1948. The numbers of persons seeking employment in the industry, as indicated by unplaced applicants data, were small and varied erratically, but were slightly higher this year than through 1948. In the Lakehead area, over 750 were employed in this industry in Port Arthur and Fort William alone; and operations in outlying areas probably accounted for several hundred more, most likely on a part-time or seasonal basis.

The market outlook for the lumber industry appears to be good. Since the removal of restrictions on lumber exports to the U.S., the prospects of increased sales in that market are brighter. This is strengthened by the lower prices of Canadian products in U.S. markets resulting from the devaluation of the Canadian dollar. The continuing high level of domestic construction activity is another reason for



optimism for the industry's immediate future. An important factor to be considered, however, is the possibility of increased competition from B.C. wood products in eastern Canadian and U.S. markets, although this is not likely to have much effect on the industry's plan for the immediate future.

Of considerable importance to the Prairie region, but concentrated largely in the Lakehead area, the manufacture of pulp and paper employed over 5,600 in the region at June 1. This is a slight increase over June 1, 1948; and employment data show a small but steady rise since 1945. Seasonal variations in employment in this industry are insignificant, and unplaced applicants data indicate that very few persons are seeking employment in the industry. The market outlook for newsprint is strong, and although there are weaknesses in markets for pulp, these are unlikely to impair to any marked extent the bright prospects for the industry as a whole.

Employment in the food products industry in the Prairie region declined from 22,000 at September 1, 1946 to 19,000 at September 1, 1948. At June 1, 1949, it was about 16,300, some 1,600 below the figure for June 1, 1948. Unplaced applicants in this industry are few in busy periods, but are becoming more numerous in the slack seasons, indicating increased seasonality of operations. This is probably due both to softening markets and to more irregular and unpredictable deliveries of seasonal raw materials.

During August, the value of exports of Canadian food products was about 3 per cent higher than the figure for August, 1948; but the total for the first eight months of 1949 was 27 per cent lower than the total for the comparable portion of 1948. In addition, there are as yet no 1949-50 export contracts for cheese, bacon, eggs and other important foods. Foreign markets for Canadian food products are consequently uncertain. Domestic markets for the products of this industry are likely to improve, since competition from U.S. products will be reduced by their higher prices consequent upon dollar devaluation. It would appear that the decline in employment in this industry will continue through 1949-50, and that the level of employment during the coming winter may be somewhat lower than during the previous busy seasons.

Prairie construction employed, in June, an estimated 54,000 workers, an increase of about 7,000 over June, 1948. Construction contracts awarded in the Prairie provinces during the first 8 months of 1949 were about 45 per cent higher, in dollar value, than during the comparable 1948 period. In Alberta, where over half the \$131 million in 1949 contracts was awarded, the increase over 1948 was about 66 per cent; while in Manitoba, with one-third of the total, and Saskatchewan, with 10 per cent, the increases over 1948 were about 32 per cent and 7 per cent, respectively. In August, the value of contracts awarded in Manitoba was up 66 per cent over August, 1948, and in Alberta, 29 per

cent; but August contracts in Saskatchewan were down 72 per cent from August, 1948.

This industry is highly seasonal in the Prairies, with almost all outdoor work ceasing entirely with the freeze-up. The high value of contracts awarded, especially in Alberta, suggests, however, that a considerable volume of construction may have advanced sufficiently by the coming of winter weather to permit indoor work to continue. On this basis, it is likely that there will be a slightly higher level of employment in construction in the Prairies this winter than during 1948-49. Larger numbers of workers may still be released from construction during the coming months, however, since the level of construction employment this summer has been so much higher than in past years.

As a result of the extensive developments in the region, and especially in Alberta, activity in transportation and communications has been at a high level through the post-war period. In June, these industries provided employment for about 86,000 workers, an increase of about 4,000 over June, 1948. This increase was about evenly divided between the two industries. Employment in both continues to increase, according to the latest data, and it is probable that it will slightly exceed the 1948 peak before the seasonal decline, which is expected to be small, sets in.

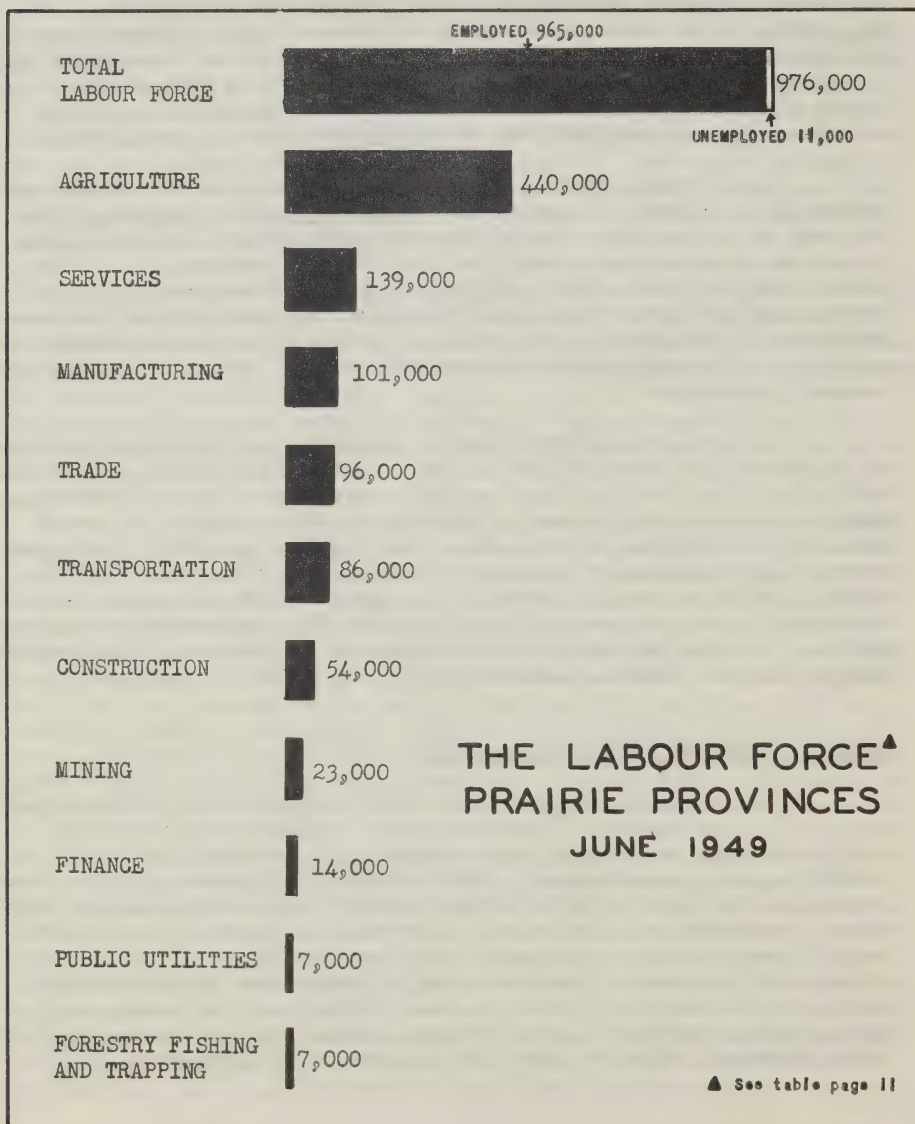
A high level of activity in wholesale and retail trade provided employment for about 96,000 in June, up 6,000 from June, 1948. There are indications that the 1949 peak will approximate that of November, 1948, and that the high level of employment will continue, although seasonal fluctuations may increase. The services industries employed about 139,000 in June, a decrease of about 8,000 from June, 1948 but about 11,000 more than in March of this year. There are signs that the substantial post-war seasonal variations in this employment are becoming smaller. It does not appear that employment in the services industries this winter will decline measurably below the level of last year.

#### GENERAL OUTLOOK FOR THE PRAIRIE REGION

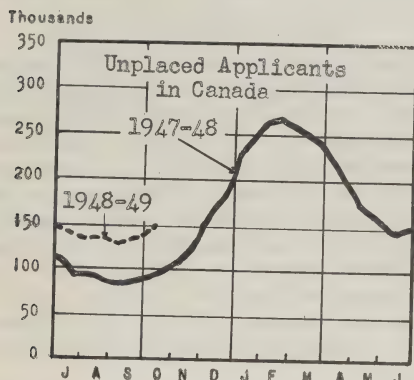
The outlook for individual Prairie industries, although varied, is in no way serious. The decline in the labour force appears to be slowing down, and mining and industrial developments are likely to provide increasing employment. This winter's employment picture depends largely on the level of activity in forestry, coal mining and, to some extent, construction. The winter increase in employment in the first two of these industries may well be at least as large as last year. Although it is expected that the level of employment in construction may be higher than in 1948-49, the much higher level of summer employment in the industry will cause greater numbers of construction workers to be released. Relative stability in most other industries, with



perhaps a few slight increases in employment, should help to steady the basic labour market. Under these circumstances, then, and since it is anticipated that fewer Prairie workers will seek winter employment in other regions, the level of unemployment during the 1949-50 winter season in the Prairie region may slightly exceed the 39,000 of last winter.



## EMPLOYMENT SERVICE ACTIVITIES



the season. Highway construction work had begun to taper off in some areas.

Relatively few employment changes had yet resulted from the wave of currency devaluations which took place during September. Lay-offs occurred at scattered points, some staff was taken on in others but, for the most part, uncertainty as to future plans prevailed. Hiring, even of replacements, had slowed down and there was a definite reluctance to take on staff at the managerial level.

Both men and women were registering for work in greater numbers during September. With a fair backlog of vacancies at employment offices, most of the job-seekers were quickly channelled back into employment. During the month, unplaced applicants rose by only 6,000. Replacements for students returning to school, re-hiring following holiday close-ups, increased production because of Christmas orders and the seasonal upswing of logging all lent impetus to an active hiring period. Placements during September covered a wide range of industries and occupations, with almost all areas reporting an active labour market. At the end of September, 101,000 men and 42,000 women had applications on file at employment offices.

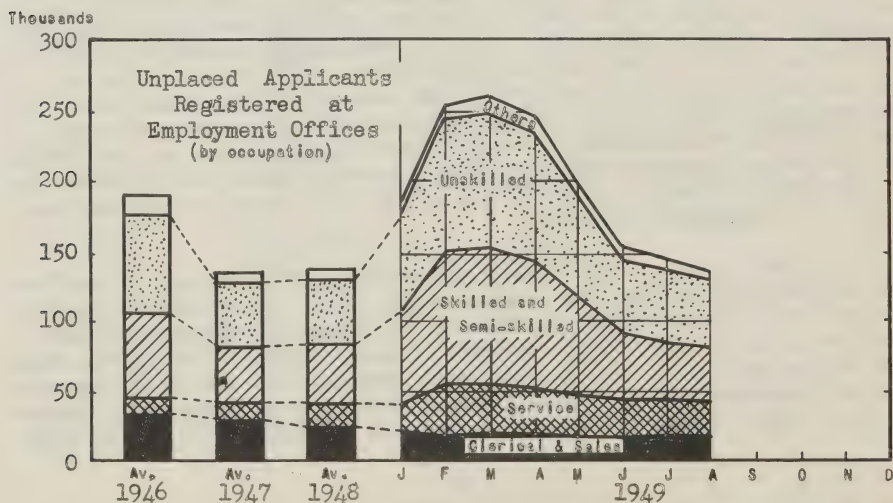
More and more short-time placements have been made by employment offices during past few years. Rising from the wartime proportion of about 3 per cent, casual placements, or placements of seven days' duration or less, rose to 18 per cent of all placements during the first eight months of 1949. Part of this gain resulted from the shrinkage of regular placements while casual placements were well sustained. Temporary jobs were, however, also spreading to more industries. While once

Seasonal activities were still strong during September although the peak in employment had passed and casual help, especially from agriculture, was drifting to the cities in search of work. Tourist trade too had fallen off and kitchen help and waitresses were becoming available for hotels and restaurants in the cities, where shortages prevailed during the summer. Construction employment, however, on the whole remained firm. New projects were still being started and others were being planned to begin even later in

largely confined to day-to-day jobs for women in stores and domestic work, there are now a considerable number of casual jobs in manufacturing, construction and agriculture and hiring of men predominates in the casual placement field.

While the majority of applicants are between 20 and 44 years old, much of the time-consuming work at employment offices is spent in placing workers outside this age group. Around 15 per cent of unplaced applicants are youths under twenty. Another 20 per cent are found between the ages of 45 and 65, and 10 per cent are over 65. The problems of youth placements stem from their job inexperience, often coupled with a lack of education. Over half of the youths registered are in unskilled occupations. The 30 per cent in the upper age bracket, on the other hand, are faced with restrictive employment practices and often an inability to cope with the physical demands of the job. Some 12 per cent of those registered in this group are veterans of the First Great War. British Columbia has a decidedly larger proportion of workers over 45 years of age.

Unemployment insurance benefits paid during the first eight months of 1949 were 62 per cent higher than in the same period of 1948. Increased coverage, higher benefit rates, and greater unemployment have brought this about. Shared by all provinces, the upswing had not greatly lengthened the period of unemployment, especially during the last few months when an improvement over the year was noted. At the end of August, 48 per cent of the claims had been registered for less than a month as against 41 per cent at the comparable 1948 date; in the two and three months' period the percentage remained at 27 while in the 73 days and over group, the percentage dropped to 25 against 32 per cent in 1948.



# INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR  
MARKET
- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES



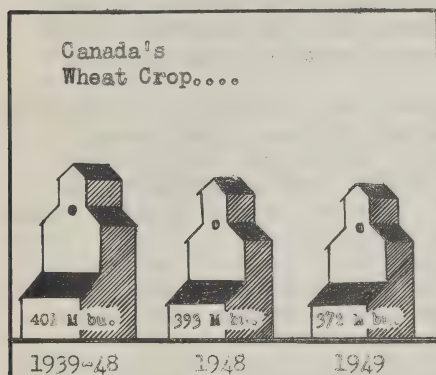


On modern Western wheat farms, combines are used for grain harvest

N.F.B. Photo

# INDUSTRIAL LABOUR MARKET

## AGRICULTURE



Demand for farm labour dropped sharply towards the end of September as harvest work was generally completed quite early this year. Workers were being hired for the beet, apple and potato crops with labour shortages reported only in the Maritimes where the latter two crops are especially important. In general, there was a better balance between labour demand and supply for this year's harvest than at any time since 1940.

The shift out of agriculture into logging, construction and manufacturing work was beginning in most

areas. A reverse movement was reported from several cities however, where manufacturing lay-offs had occurred and workers with agricultural experience were looking for farm work rather than remain unemployed.

An interesting sidelight on this type of industrial shift is shown in a comparison of agricultural employment trends in Canada with those in the United States. In the States, where unemployment is relatively higher than in Canada, the agricultural labour force is increasing in size while that in Canada is continuing the decline which goes back to 1946. This suggests that "concealed" unemployment on the farm is not an important influence in Canadian agricultural employment trend at this time.

Several large movements of seasonal workers to harvest special crops were in progress during September. About 1,000 men participated in the annual harvest excursion to the west which got under way in the middle of August. Drought conditions and increased use of combines cut down on the number required this year. This year's wheat crop is estimated at 372 million bushels, or about 20 million bushels below last year's poor crop. The ten-year average, from 1939-1948, was 401 million bushels.

Three other large movements, each involving about 1,000 men, were carried out in eastern Canada. These were the movement of apple

pickers to the Annapolis Valley in Nova Scotia; the shifting of potato pickers to Prince Edward Island from Nova Scotia; and the transfer of Canadian labour, recruited in Quebec and New Brunswick, to the State of Maine for the potato harvest.

## FISHING

The fall fishing season was in full swing on the east coast in September, with emphasis on cod, herring and oyster fisheries. The herring pack was reported as from good to excellent while cod landings were spotty in some sections.

In general, fishing operations were slackening off in British Columbia during September with a resultant decline in employment. Salmon fishing had passed the peak while whaling and tuna operators were closing down for the season. A dispute over the price of chum salmon was settled on October 3 after a one week strike by 4,000 fishermen.

The following comments on the employment situation in fishing were received from local office managers of the National Employment Service:

Corner Brook, Nfld.: "This month (September) showed an increase in the number of fishermen engaged in the cod fishery...."

St. John's, Nfld.: "With the 10 per cent devaluation in the Canadian dollar in terms of U.S. dollars, interest in the herring fishery awakens as herring prices have automatically gone up 10 per cent...."

Labrador: "All shore fishing operations have now concluded."

Bathurst, N.B.: "Continued heavy catches of cod and herring reported with fish plants working at capacity. Some of the small plants which were engaged on fall herring have now closed; however, most of the released employees have been absorbed by other plants."

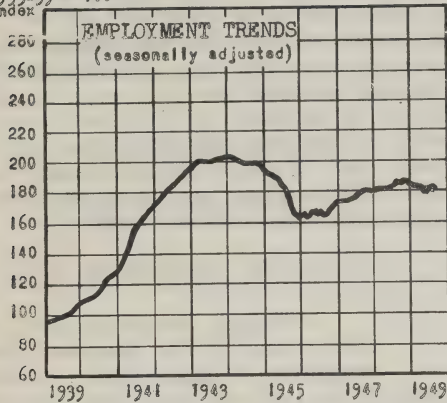
Halifax, N.S.: "Fish catches for the month have been poor.....which is reflected in curtailed canning plant operations...."

Vancouver, B.C.: "Salmon season is nearly over in local waters; most operators report a successful season....Herring fishing is expected to commence early in October."



## MANUFACTURING

1935-39 = 100  
Index



August 1, 1949, was 206.0 (1926-100). This represents a fractional decline from the 1948 employment level and an increase of 3 per cent from the mid-winter low.

During September, employment was sustained by seasonal activity in the food processing industries, and to a lesser extent, in the clothing industry. In addition to the fruit and vegetable pack, biscuit and confectionery plants were making preparations for Christmas work. Fish canneries were also active on both east and west coasts, although poor catches in the Maritimes and changed canning methods in British Columbia reduced labour requirements.

Among the individual manufacturing industries, increases in employment have been most marked in the electric power, beverages, and automobile industries. Expansion plans are being rapidly carried out by electric power producers and capital expenditures on power installations this year are estimated at \$250 millions, adding about 400,000 horsepower to the country's capacity. Industrial expansion, rural electrification, and new housing projects have contributed to this growing demand for electric power.

The demand for new cars has been surprisingly strong and production still lags behind demand. Production schedules have been increased by the major producers but dealers have been clamouring for more cars. Shipments to the end of August totalled 186,000, 25,000 over the same period in 1948.

Employment in soft drink plants this year was strongly influenced by the removal of the sales tax and the warm weather. Manufacturers warn that a readjustment may occur in the fall, however.

Employment opportunities in the manufacturing industries have been fewer in number this year as demand has levelled off and employment resulting from new industrial construction has decreased. Employers now have built their staffs up to required levels, and require few additional workers. Reduced labour turnover has also cut the number of vacancies.

As a result, manufacturing employment has not expanded over last year's levels. The Dominion Bureau of Statistics index of manufacturing employment at



On the other hand, extensive decreases in employment have been registered in several industries. The biggest decline has been in shipbuilding employment but this downtrend may be halted as a result of national defence contracts for anti-submarine craft awarded in July. Large-scale lay-offs have occurred in the farm implement and aluminum industries over the past year and completion of the B.O.A.C. contracts by Canadair is expected to cause a decline in aircraft employment before the year-end. The pulp and paper industry is employing fewer male workers this year as a result of a softening in the market for various grades of wood and sulphite pulp. Demand for newsprint remains firm, however.

## MINING

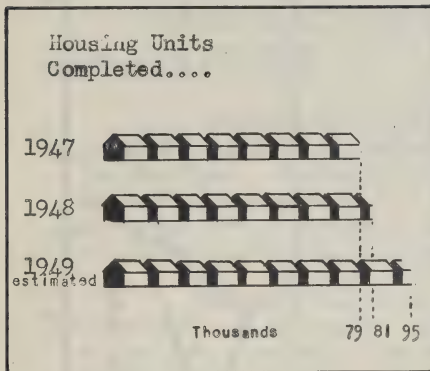
Although demand for coal has been strong in the post-war period, expansion of employment in Canadian coal mines has been hindered by strikes and shortages of certificated miners. No further expansion in the industry's work-force is foreseen in the immediate future, due in part to the shift from coal to oil for fuel purposes. Reported employment in the industry was estimated at over 24,000 in September.

In the metal mining industry, employment has remained stable at about 43,000 during the latter part of 1949. The industry is in a sound position, although declines in base metal prices have decreased profit margins. The gold mining industry is in a somewhat depressed state being caught between fixed costs and high prices, but devaluation should improve this situation.

Many metal mines have employed Displaced Persons, who have proved highly satisfactory, but operators have been disappointed in the large number leaving at the end of their contract term. In some cases, the supply of unskilled labour is more than adequate because reduced activity in the logging industry has released men for underground work. The large lay-off by International Nickel Company also resulted in more workers being available for the rest of the industry.

Employment in the non-metallic mining industry had returned to normal by August after the long drawn-out asbestos strike. Drilling activity and exploration in the western oil fields continues to act as a stimulus to employment in this group, although the crude oil supply is now greater than the prairie market can absorb.

## CONSTRUCTION



The most notable expansion of employment in the Canadian economy in 1949 has been in the construction industry. Latest reports indicate that this year's construction labour force is about 50,000 above 1948 with no apparent indication of a slackening in the level of operations.

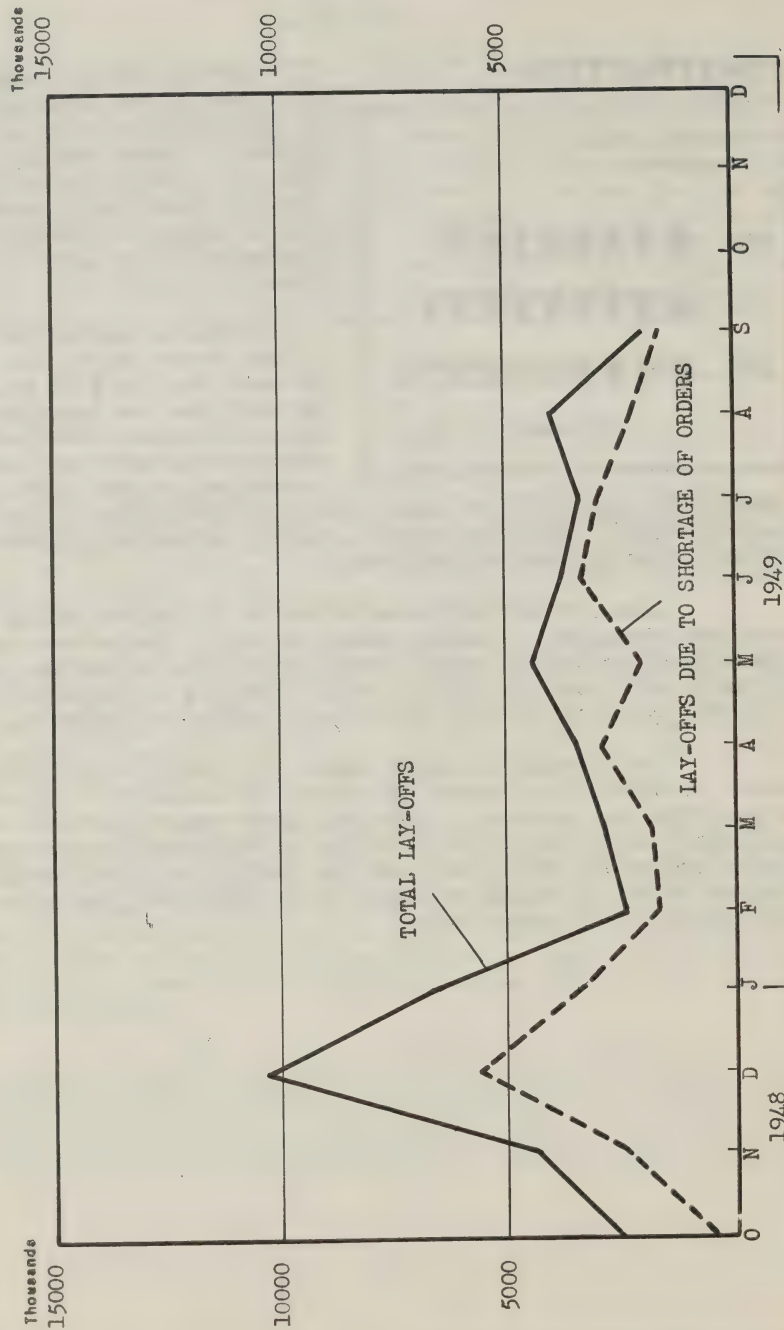
Contracts awarded for all types of work in the first eight months of the year totalled \$709 millions, 6 per cent over the total for the same period last year. Residential construction has been very active. Completions in the first seven months

were 46,000, nearly 25 per cent higher than the figure for the same period in 1948. New housing units started numbered approximately 49,000, about the same as last year.

Labour demand continued strong in all regions during September with some shortages of skilled labour reported. Contractors were rushing to complete outside work or rough-in projects before the freeze-up so inside work could be carried on in winter. A large number of small jobs were going on, such as minor house repairs, and painting.

The increase in labour demand as a result of the return to school of university students was offset by the entry of agricultural workers into the industry. Unskilled labour was in plentiful supply, although some applicants for this type of work were reported as seeking inside employment which would continue during the winter months. A greater degree of stability in the labour force this year also cut into the extent of the labour demand.

# LAY-OFFS IN MANUFACTURING INDUSTRIES OCTOBER 1, 1948 TO OCTOBER 1, 1949





## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Reported non-seasonal lay-offs dropped from 3,935 in August to 1,848 in September, the lowest figure recorded during the past year. Shortages of orders were responsible for 84.4 per cent of all lay-offs in the past month. Shortages of material accounted for .7 per cent, production changes for 1.7 per cent and other causes for 13.2 per cent.

Lay-offs due to shortages of orders were most extensive in primary and secondary aluminum manufacturing where major producers were continuing the staff-cutting program started several months ago. A total of 350 workers were laid off during September. Poor markets also affected primary iron and steel production, washing machine, wire fencing and sheet metal products manufacturing. Approximately 80 per cent of the 402 lay-offs in iron and steel manufacturing were caused by lack of orders.

In the transportation equipment manufacturing industry, 300 workers were laid off because of lack of orders -- 200 from a railway rolling stock plant and 100 from a truck and bus body factory. Staff reductions in the textile industry were centred in woollens and worsteds manufacturing where English materials were offering stiff competition. Loss of export markets for processed milk and eggs and industrial chemicals were directly responsible for staff cut-backs amounting to 155. Shortages of orders caused minor employment reductions in the following industries; shoes, clothing, abrasives, wooden boxes, telephone equipment and ammunition.

Very few lay-offs reported in September were due to shortages of material. The 13 recorded were released from a foundry owing to scarcity of steel. Production changes, which caused staff reductions totalling 1,050 in August were responsible for only 31 workers being laid off in September. Lay-offs for other causes were as follows; plant moved to another area -- 160 persons released; machinery repairs -- 50; shortage of power -- 34.

The chart on the opposite page shows the number of lay-offs reported to the Department of Labour each month in the past year. Special attention is given to the number due to shortages of orders. With changing market conditions following near saturation of post-war demand for many products, this is likely to be one of the largest factors influencing lay-offs in the coming year. Nevertheless, an examination of total manufacturing employment proves the extent of lay-offs is still relatively small.



Table I—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off        | September, 1949 (1) |          | August, 1949 |          | July, 1949 |          |
|-------------------------|---------------------|----------|--------------|----------|------------|----------|
|                         | Number              | Per Cent | Number       | Per Cent | Number     | Per Cent |
| Shortage of orders..... | 1,560               | 84.4     | 2,256        | 57.3     | 2,955      | 88.3     |
| Shortage of materials.. | 13                  | 0.7      | -            | -        | 160        | 4.8      |
| Production changes..... | 31                  | 1.7      | 1,050        | 26.7     | 160        | 4.8      |
| Other.....              | 244                 | 13.2     | 629          | 16.0     | 70         | 2.1      |
| Total.....              | 1,848               | 100.0    | 3,935        | 100.0    | 3,345      | 100.0    |

(1) Preliminary figures

Table II—Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                              | September, 1949 |          | August, 1949 |          | July, 1949 |          |
|---------------------------------------|-----------------|----------|--------------|----------|------------|----------|
|                                       | Number          | Per Cent | Number       | Per Cent | Number     | Per Cent |
| Food and Beverages.....               | 55              | 3.0      | 39           | 1.0      | 188        | 5.6      |
| Tobacco Products.....                 | -               | -        | 165          | 4.2      | -          | -        |
| Rubber Products.....                  | -               | -        | -            | -        | -          | -        |
| Leather Products.....                 | 25              | 1.4      | 110          | 2.8      | 100        | 3.0      |
| Textile Products.....                 | 196             | 10.6     | 330          | 8.4      | 139        | 4.2      |
| Clothing.....                         | 48              | 2.6      | 35           | 0.9      | -          | -        |
| Wood Products.....                    | 12              | 0.6      | 345          | 8.8      | 120        | 3.6      |
| Paper Products.....                   | 50              | 2.7      | 300          | 7.6      | 642        | 19.2     |
| Printing and Publishing.              | -               | -        | -            | -        | -          | -        |
| Iron and Steel Products.              | 402             | 21.8     | 793          | 20.1     | 1,158      | 34.6     |
| Transportation Equipment              | 300             | 16.2     | 1,269        | 32.2     | 323        | 9.6      |
| Non-Ferrous Metals.....               | 350             | 18.9     | 303          | 7.7      | 245        | 7.3      |
| Electrical Apparatus....              | 155             | 8.4      | 14           | 0.4      | -          | -        |
| Non-Metallic Mineral<br>Products..... | 129             | 7.0      | 95           | 2.4      | 280        | 8.4      |
| Chemical Products.....                | 126             | 6.8      | 137          | 3.5      | -          | -        |
| Miscellaneous.....                    | -               | -        | -            | -        | 150        | 4.5      |
| Total.....                            | 1,848           | 100.0    | 3,935        | 100.0    | 3,345      | 100.0    |

# REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR  
MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ INDUSTRIAL EXPANSION  
THIRD QUARTER, 1949

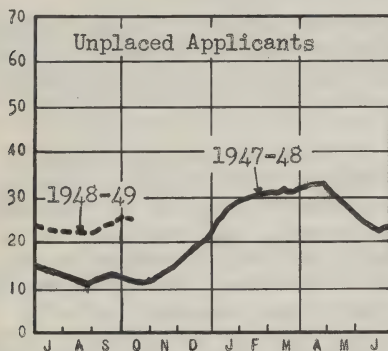


A typical East Coast cod fisherman is shown mending his nets

N.F.B. Photo

# REGIONAL LABOUR MARKET

## MARITIME



Seasonal employment activity passed its peak during September. Harvesting and construction work was slackening, but the usual expansion in logging did not take place.

Recent currency devaluations, which have reduced the buying power of the English pound in Canada, are likely to have a considerable effect on industry in the Maritimes due to its extensive dependence on export markets. The outlook for employment in the pulpwood and pit prop industries this coming winter is very unfavourable. Although mills

have been operating steadily, pulpwood inventories are high and the cut will be light this winter.

In Newfoundland, particularly, the reduction in both logging and pulp manufacturing employment will be substantial since one of the major pulp operators has lost its sulphite pulp market, and the other has not been able to compete successfully in the United States market. Where lumber is concerned, however, the Maritime Lumber Bureau feels that there is no need for pessimism regarding markets--it is hoped that much of the annual shipment to the United Kingdom will continue. The price of long lumber will be down considerably, according to all indications, and wage reductions have been made in several areas.

Devaluation has had a stimulating effect on the coal mining industry. Pulp mills in New Brunswick, which had been using American coal, were ordering Minto coal since their stock piles were low and the cost of American coal has been increased through devaluation. Coal mines in Nova Scotia were in steady operation also, as industries started seasonal stock piling for winter. For the iron mining industry of Newfoundland, devaluation will add to its marketing problems since 50 per cent of production was sold to the United Kingdom.

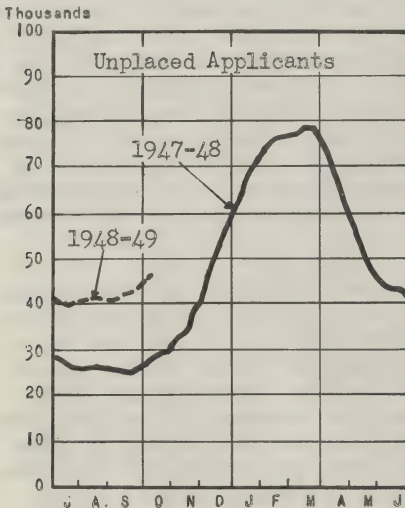
Farm labour demands were met easily during the month. The movement of potato pickers was under way near the end of September; about 1,000 pickers will be required in Prince Edward Island, and these were being recruited from Moncton, Sydney and New Glasgow. Transfers of men to the Maine potato fields were held up, since the local labour supply proved greater than expected.



Construction was at a high level, but a slackening was indicated as many projects neared completion. A carpenters' strike in Newfoundland held up work for three weeks. At Saint John and Halifax, work was continuing as new projects were started; the latter area, however, reported that much of the work was done by mechanized equipment and did not relieve the surplus of unskilled labour.

The ports of Halifax and Saint John expect a greater volume of cargo from the United Kingdom this winter, but it is doubtful that this will compensate for an anticipated decrease in export shipments.

## QUEBEC



Woods operations, which in former winters have supported an important segment of the regional employment, this year will be at a very low level according to employers' forecasts. As harvesting and other summer seasonal activity taper off, workers normally move into woods employment. Since such work was commencing only on a very reduced scale, unplaced applicants were already accumulating.

Current marketing conditions for the pulp and paper industry, plus heavy inventories at the mills, have caused cutting quotas to be lowered by as much as 50 per cent in some areas. Thousands of woodsmen were expected to be without employment during the winter months. Devaluation may benefit some marginal

mills exporting to the United States, however, and in one area there was a rumour that a large company was planning to start woods operations which formerly had been cancelled. Newsprint operations continued at near capacity; the United States dollar-earning capacity of the industry has increased through devaluation.

In most manufacturing industries, it was too early for employers to estimate what effect devaluation will have on production. There was no indication, however, that the future trend will be towards greater employment. Some areas were seriously affected by lack of export orders; woollen, cotton and hosiery mills reported curtailed production. A few mens' clothing plants reported production cut-backs as a direct result of devaluation.

Most clothing plants were seasonally active and many were operating at close to capacity; some manufacturers were starting their own training courses to overcome the scarcity of skilled sewing-machine operators. Shoe manufacturing production showed some slight improvement, but most plants were still well below capacity production.

Indications were that both gold and base metals mining will increase in the near future as a result of devaluation. Some properties which had been closed were already considering re-opening. Additional employment will be created for both surface and underground crews. Sufficient unskilled labour was available, however, although experienced machine men were still in demand.

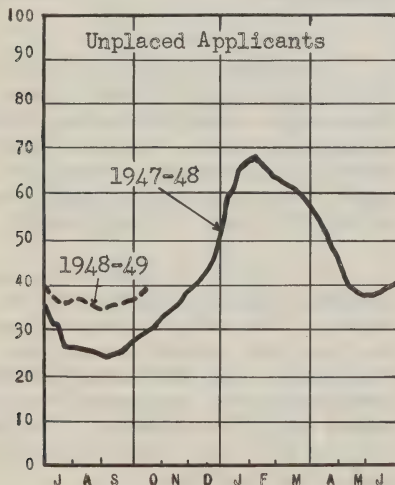
Construction was expected to continue at its very high level until heavy frost or snow stops operations.

Arvida--Production changes in the aluminium industry will force a progressive lay-off of 600 workers over the next six months.

Shawinigan Falls--A lay-off of 200 workers occurred during September, also in the aluminium industry, because of lack of orders.

## ONTARIO

Thousands



Construction and manufacturing activity sustained employment during September. Harvesting ended, but fruit processing continued at a high level. Unplaced applicants rose during the month--the number of female unplaced applicants increased especially, due chiefly to the slackening in service activity as the tourist season ended.

The effect of devaluation was not fully evident, and reports of its probable consequences varied from area to area. Industries exporting to sterling markets now will face even more serious problems. Industries which import a high proportion of raw material from the United States, will find their costs increased; to raise prices in the domestic market may make them more

vulnerable to greater British competition. Industries selling to the United States, or to the domestic market without dependence on American imports, will benefit by devaluation, except where British competition is sharp. The employment effects on an area basis will depend on the

type of industry concentrated in the area.

Hydro power shortages were affecting industries in the Niagara Falls and Welland areas, but were not reported in other parts of the province.

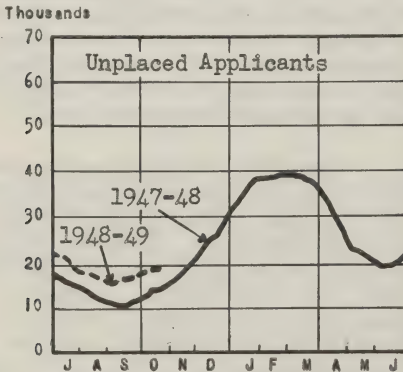
Automobile production in Oshawa and Hamilton showed further expansion during September, and substantial hirings took place. In Windsor, negotiation of a new collective agreement was in progress, which made production schedules somewhat uncertain. The steel and coal strikes in the United States if prolonged may affect this industry.

The volume of employment in construction was well maintained, and most areas reported that work would probably continue for the next month or two. Qualified tradesmen were in short supply.

London--The Chamber of Commerce estimated that there was \$16 millions of new industrial and business construction alone, under way in the city and suburbs.

Hamilton--Employment opportunities for women are becoming less frequent as factories return to normal production, and men replace women at jobs they held during the war and post-war years. Labour demand for women is still strong in service industries, however, but most applicants find working conditions unattractive.

## PRAIRIE



Seasonal activity in the Prairies held up better than in any other region except British Columbia during September. Unplaced applicants, which were at a very low level, increased only slightly as harvesting ended in many areas.

The supply of harvesters was entirely adequate throughout the season. The drive to recruit workers from the drought areas, was successful, and 350 harvesters came from Ontario to supplement the local labour supply in Alberta. The sugar beet harvest was under way, with good crops reported.

The meat packing industry showed signs of renewed activity although employment was not expected to reach substantial proportions until November. Receipts of cattle and hogs were reported greater than last year in the Calgary and Saskatoon areas, but lower in the other

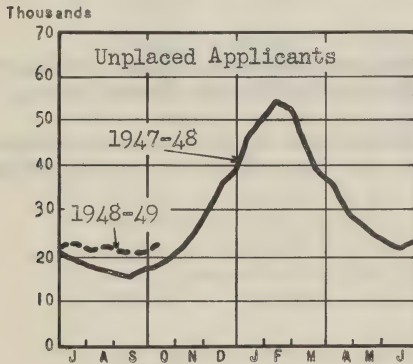


major centres. Although stocks are considered to be still well below the level of the last three or four years, farmers are starting to raise more stock than formerly.

Construction work continued at peak activity with contractors endeavouring to close in all structures before winter weather sets in. Shortages of skilled tradesmen were reported from most areas. With the new government regulations concerning residential building, the present building boom is expected to continue. Provincial public works projects were progressing well and full employment was anticipated until the freeze-up.

The outlook for logging employment this winter in the eastern section of the region was not favourable. Most pulp and paper mills will be operating at full capacity according to reports, but heavy stockpiles of logs mean a substantial curtailment of logging quotas. In the Lakehead area, the local labour supply will easily fill manpower requirements. In the Fort Frances area, however, the outlook was more encouraging and operations should equal last year's level; employers are not advancing fares to prospective applicants, as was the former custom.

## PACIFIC



Employment conditions improved during September. Settlement of wage negotiations in the lumber industry stimulated logging and construction activity. The return of students to school created job vacancies. The number of unplaced applicants declined, reversing the slight upward trend of August.

With favourable weather, most logging companies resumed operations. The successful conclusion of negotiations between the International Woodworkers' Association and the operators enabled operations to proceed on a planned basis. Sawmills

and other woodworking plants showed **increased** activity. By the end of the month, several companies were reorganizing and expanding operations; suitable applicants for the vacancies created were screened carefully, however.

The brightest spot in the lumber industry is shingle manufacturing. Almost all plants were operating at full capacity, including night shifts where possible. The improved market resulted from an active promotional campaign by the industry, reduction of reserve stocks due to "inventory tax" in the United States, and greatly increased



demand for No. 2 and No. 3 shingles which were formerly a glut on the market. The sudden heavy labour demand has created shortages of sawyers, packers and saw fitters. The market outlook for the industry was indefinite, however.

Paper mills were in steady operation, and the reopening of the Woodfibre and Port Alice rayon pulp plants will greatly improve the employment situation for the industry.

The outlook for fishermen is not bright. Although a record salmon pack was reported in the Fraser River area, the catch was almost entirely through seiner operations in the Gulf, and only a few fish got past to the river. So many boats were operating that the return to individual fishermen was lower than usual, and further, since the seiners took the whole catch, some 3,000 gillnetters on the river did not even make enough to cover expenses. The latest development of the month was a strike over the price of chums salmon, which has affected seiners and gillnetters along the coast. The season will probably automatically close, which will leave some 3,000 gillnet fishermen unemployed with no reserve from this season's fishing; few are eligible for unemployment insurance.

Construction work continued at a high level. Trowel tradesmen were still scarce.

The influx of workers from the prairies and eastern provinces has already started but on a much smaller scale than in former years.

Prince Rupert--The logging operations of the cellulose company were expected to create a strong demand for loggers in the coming winter, although the current demand is small.

## LABOUR MARKET RATING OF COMMUNITIES

In the following table thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at October 1, 1949, at September 1, 1949, and at October 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I--Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for September and October of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>Oct.1,<br>1949 | Group Rating   |                 |                |
|----------------------------------------|-------------------------|----------------|-----------------|----------------|
|                                        |                         | Oct.1,<br>1949 | Sept.1,<br>1949 | Oct.1,<br>1948 |
| <u>Population of 100,000 and over</u>  |                         |                |                 |                |
| Quebec.....                            | 88                      | III            | III             | III            |
| Vancouver.....                         | 71                      | III            | III             | III            |
| Windsor.....                           | 50                      | III            | IV              | IV             |
| Victoria.....                          | 36                      | IV             | IV              | IV             |
| Hamilton.....                          | 36                      | IV             | IV              | IV             |
| Winnipeg.....                          | 35                      | IV             | IV              | IV             |
| Calgary.....                           | 33                      | IV             | IV              | IV             |
| Ottawa.....                            | 33                      | IV             | IV              | IV             |
| Montreal.....                          | 26                      | IV             | IV              | IV             |
| Edmonton.....                          | 22                      | IV             | IV              | IV             |
| Toronto.....                           | 19                      | IV             | IV              | IV             |
| <u>Population of 50,000 to 100,000</u> |                         |                |                 |                |
| Sydney.....                            | 140                     | III            | III             | III            |
| Saint John.....                        | 79                      | III            | III             | III            |
| Halifax.....                           | 70                      | III            | III             | III            |
| Fort William - Port Arthur.....        | 47                      | IV             | IV              | IV             |
| London.....                            | 26                      | IV             | IV              | IV             |
| Regina.....                            | 20                      | IV             | IV              | IV             |
| Kitchener-Waterloo.....                | 8                       | IV             | IV              | IV             |
| <u>Population of 25,000 to 50,000</u>  |                         |                |                 |                |
| Shawinigan Falls.....                  | 124                     | III            | III             | IV             |
| Hull.....                              | 103                     | III            | III             | III            |
| Sherbrooke.....                        | 103                     | III            | III             | IV             |
| Chicoutimi.....                        | 85                      | III            | III             | IV             |
| Brantford.....                         | 74                      | III            | III             | IV             |
| Oshawa.....                            | 57                      | III            | III             | III            |
| Three Rivers.....                      | 52                      | III            | III             | IV             |
| Peterborough.....                      | 42                      | IV             | IV              | IV             |
| Kingston.....                          | 38                      | IV             | IV              | IV             |
| St. Catharines.....                    | 33                      | IV             | IV              | IV             |
| Saskatoon.....                         | 24                      | IV             | IV              | IV             |
| Sault Ste. Marie.....                  | 21                      | IV             | IV              | IV             |
| Sudbury.....                           | 14                      | IV             | IV              | IV             |
| <u>Population of under 25,000</u>      |                         |                |                 |                |
| Sorel.....                             | 225                     | II             | II              | IV             |
| Welland.....                           | 115                     | III            | III             | IV             |
| Pictou - New Glasgow.....              | 101                     | III            | III             | III            |
| Amherst.....                           | 81                      | III            | III             | IV             |
| Valleyfield.....                       | 51                      | III            | III             | III            |
| Niagara Falls.....                     | 24                      | IV             | IV              | IV             |
| Trail.....                             | 18                      | IV             | IV              | IV             |



## INDUSTRIAL EXPANSION, THIRD QUARTER, 1949



The total number of new jobs due to industrial expansion in the first nine months of 1949 dropped by 57 per cent as compared with that in the same period of 1948. The third quarter of 1949 registered a similar 57 per cent drop compared to the same quarter of the previous year.

This does not mean that industrial expansion in Canada has assumed an insignificant role in the employment picture. Actually the number of cases of industrial expansion has not dropped markedly, but the new factories are generally much smaller and consequently employment in each plant is low. In many instances, substantial increases in productivity are being obtained with relatively few additional workers being required.

The number of new jobs reported as opening up in the third quarter is estimated at about 1,200. The textiles and iron and steel industry led the way, supplying 22 per cent of all new job openings respectively. Non-metallic mineral products supplied 13 per cent, and electrical apparatus 11 per cent of third quarter new jobs because of industrial expansion.

A marked change has occurred in the regional distribution of industrial expansion projects. In 1948, the province of Quebec led in the number of jobs resulting from industrial expansion. In the third quarter of 1949, however, Ontario supplied no less than 70 per cent of new job openings, while Quebec dropped to 25 per cent. In the other regions, industrial expansion in the third quarter of 1949 was light.

Although in the first quarter of 1949 the value of industrial contracts awarded established a \$42 million gain over the first quarter of 1948, by the end of the third quarter 1949, this gain over



1948 had been cut to \$24 million. The first quarter of 1949 was the only quarter so far this year in which the value of industrial contracts awarded was higher than in a comparative period in 1948. Certainly in terms of employment, 1949 investment is not producing nearly as many new jobs as 1948 investment.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT  
AS A RESULT OF PLANT EXPANSION

- Third Quarter 1949 -

| Area             | Name of Company                                 | Industry                                         | Number of<br>New<br>Employees |
|------------------|-------------------------------------------------|--------------------------------------------------|-------------------------------|
| <u>Maritimes</u> |                                                 |                                                  |                               |
| Yarmouth         | Thistle Knit-Wear Co. Ltd.                      | Textiles                                         | 50                            |
| Sussex           | Sussex Milling and Feed<br>Co. Ltd.             | Food and Beverages                               | 4                             |
| <u>Quebec</u>    |                                                 |                                                  |                               |
| Huntingdon       | Spinners Ltd.                                   | Textiles                                         | 8                             |
| <u>Ontario</u>   |                                                 |                                                  |                               |
| Essex            | Stokely-Van Camp of<br>Canada Ltd.              | Food and Beverages<br>(Seasonal Employ-<br>ment) | 200                           |
| Lindsay          | Brinton-Peterboro Carpet<br>Co. Ltd.            | Textiles                                         | 50                            |
| London           | Capitol Records of<br>Canada Ltd.               | Miscellaneous<br>Manufacturing                   | 50                            |
| Napanee          | Desoronto Electronics Ltd.                      | Electrical<br>Apparatus                          | 50                            |
| Owen Sound       | Amerwood (Eastern)<br>Canada Ltd.               | Wood Products                                    | 30                            |
| Sturgeon Falls   | Nipissing Black Granite<br>Co. Ltd.             | Non-Metallic<br>Minerals                         | 5                             |
| Toronto          | Canadian Name Plate &<br>Manufacturing Co. Ltd. | Miscellaneous<br>Manufacturing                   | 20                            |
| Toronto          | Canadian Steel Strapping<br>Co. Ltd.            | Iron and Steel                                   | 3                             |
| Toronto          | Crouse-Hinds Company of<br>Canada Ltd.          | Iron and Steel                                   | 25                            |
| Toronto          | Faberge Perfumes<br>(Canada) Ltd.               | Chemicals                                        | 6                             |
| Toronto          | Mundy Brothers Ltd.                             | Paper Products                                   | 1                             |
| West Lorne       | Golden Acres Enterprises<br>Co.                 | Miscellaneous<br>Manufacturing                   | 40                            |
| Woodbridge       | Robinson Cotton Mills Ltd.                      | Textiles                                         | 89                            |





A N A D I A N

# LABOUR MARKET

DEPARTMENT OF LABOUR,  
RESEARCH AND STATISTICS BRANCH

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1949

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FEATURE ARTICLE..... Government  
Publications

Employment Conditions  
in the Maritime Region  
(including Newfoundland).

Volume 6

Number 11





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CANADIAN LABOUR MARKET  
Economics and Research Branch  
Department of Labour

authorized by  
Hon. Humphrey Mitchell, Minister  
and  
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

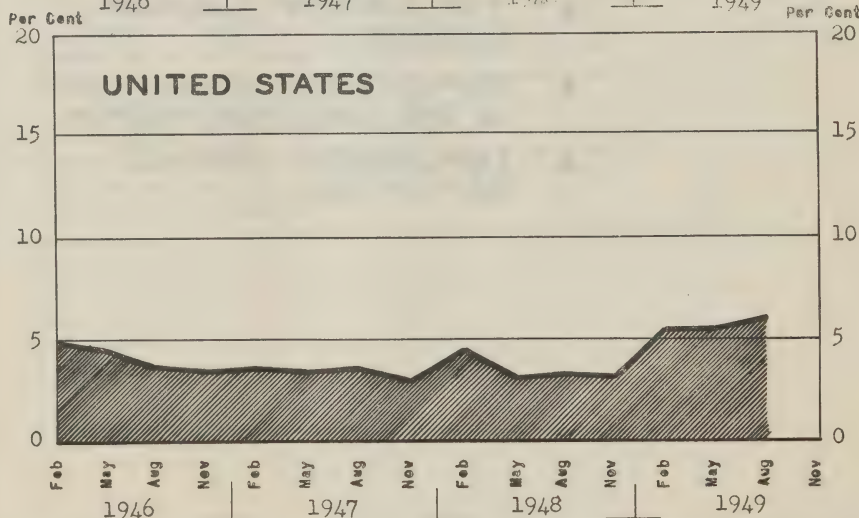
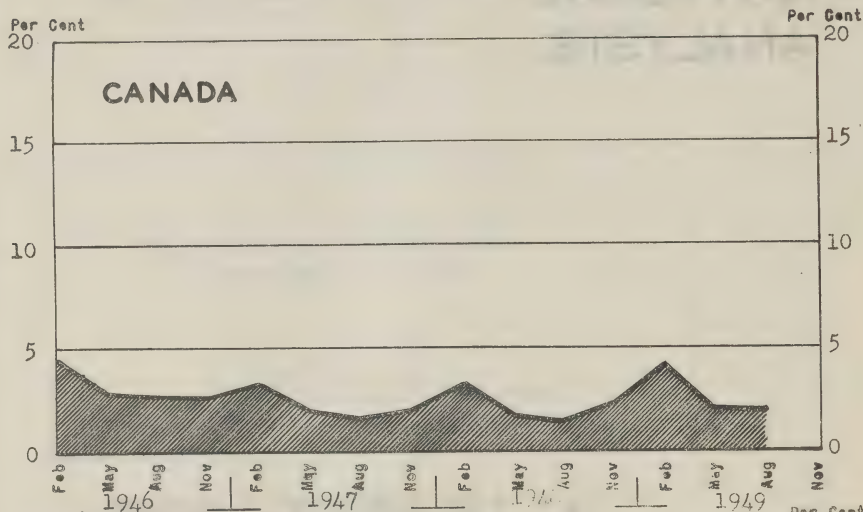
# **NATIONAL ANALYSIS.....**

- ▲ THE CURRENT LABOUR  
MARKET**
- ▲ EMPLOYMENT CONDITIONS  
IN THE MARITIME REGION**
- ▲ EMPLOYMENT SERVICE  
ACTIVITIES**



# UNEMPLOYMENT IN CANADA AND THE UNITED STATES

## AS A PERCENT OF TOTAL LABOUR FORCE



## THE CURRENT LABOUR MARKET

During the months of October and November, the employment situation showed signs of unusually rapid seasonal deterioration, although the picture varied considerably in different areas. Unplaced applicants at Employment Service offices began to rise appreciably by the middle of October; last year, the sharp increase did not occur until at least two weeks later. In the first three weeks of November, weekly gains of 11,000 to 14,000 were reported, as against 6,000 to 9,000 at the same time in 1948.

Unemployment in the Maritimes is now considerably higher than it was at this time last year. Winter activity in logging and shipping is substantially reduced from that of last year and seasonal work in farming, fishing and construction had largely terminated by the end of November. On the other hand, employment in coal mining and in heavy manufacturing industries remained steady.

In the Québec region, the usual fall employment patterns were becoming evident. Agricultural activity was declining sharply and many seasonal workers were becoming available for jobs in the mines and the woods. As in the Maritimes, however, logging will not be as extensive this winter as last year. Many textile mills in Quebec were reducing employment due to the growing intensity of British competition. Cautious hiring policies were still being adopted by many manufacturing firms who were not yet sure of the effects of devaluation on their markets.

In Ontario, most manufacturing plants were operating on fairly normal production schedules for this time of year. Several iron and steel firms continued on short-time operations, however, while awaiting further clarification of their export market situation. Most textile plants were operating at or near capacity. Seasonal work on the farms was largely at an end although construction employment was being well maintained for this time of year.

Employment in the Prairie region was holding up fairly well, despite the usual seasonal declines. Agricultural activity was slight in Manitoba and Saskatchewan, although in Alberta the completion of the sugar beet harvest provided some seasonal work. Construction work throughout the three provinces continued to be fairly extensive. The seasonal employment upswing in the meat packing industries was gaining momentum.

In the Pacific region, employment was adjusting itself to winter conditions more easily than last winter. Seasonal activity was largely at an end in agriculture, fishing and placer mining. On the other hand, the logging and lumbering industries continued active and construction employment, although tapering off, remained exceptionally high for this time of the year.

Both employment and unemployment in Canada were currently higher than at this time in 1948. The civilian labour force, totalling 5,253,000 at August 20, had increased in all regions except the Prairies. All industries shared in the yearly gain, with the exception of agriculture, forestry and transportation. The gain in unemployment, which boosted the proportion unemployed from 1.3 to 1.9 per cent of the labour force, was divided fairly evenly between the various regions and age groups. This percentage was considerably below that in the United States as the chart facing page 5 shows.

Time loss due to work stoppages arising from industrial disputes during October, 1949, was only slightly higher than in the preceding month and considerably less than in October, 1948. Three work stoppages accounted for 72 per cent of the total time loss. These were in the automobile, rubber tire and printing industries.

The increase in lay-offs in manufacturing plants during October was due largely to one of these strikes. Shortages of orders, however, continued to be the dominant factor influencing non-seasonal lay-offs. These, for the most part, were not concentrated in any one industry, although textiles seem to have been affected by increased competition following currency devaluations.

Nevertheless, industrial production remained strong. For September, the index stood at 187.1 (1935-39 = 100), an increase both over last month and last year. The estimate of total labour income during August showed a further rise also. It totalled \$5 billion for the first eight months of this year. Average weekly wages of hourly-rated wage-earners in manufacturing amounted to \$41.76 at September 1, an increase of almost one per cent since August 1.

SELECTED LABOUR MARKET TRENDS

| Indicator                                       | Latest Data |               | Percentage Change   |                           |                                              |
|-------------------------------------------------|-------------|---------------|---------------------|---------------------------|----------------------------------------------|
|                                                 | Month       | Amount        | From Previous Month | From Same Month Last Year | To date this Year from Same Period Last Year |
| Immigration .....                               | September   | 4,200         | -46.8               | -64.8                     | -16.5                                        |
| Civilian Labour Force (a)...                    | August      | 5,253,000     | + 2.6               | + 2.8                     | + 2.1                                        |
| Total Employment (a).....                       | August      | 5,155,000     | + 2.7               | + 2.2                     | + 1.5                                        |
| Total Unemployment (a).....                     | August      | 98,000        | - 4.9               | +46.3                     | +31.1                                        |
| Industrial Employment (b)...                    | Sept. 1     | 2,183,000     | + 0.9               | + 0.5                     | + 1.4                                        |
| Unplaced Applicants (c).....                    | Nov. 1      | 172,400       | +20.5               | +69.2                     | +35.3                                        |
| Live Claims (d).....                            | Oct. 1      | 84,000        | + 3.4               | +86.6                     | +47.0                                        |
| Labour Income.....                              | August      | \$658,000,000 | + 1.4               | + 7.2                     | + 9.4                                        |
| Average Weekly Earnings (e). Sept. 1            |             | \$ 41.76      | + 0.9               | + 7.2                     | + 8.6                                        |
| Average Hourly Earnings (e). Sept. 1            |             | \$ .99        | - 0.3               | + 5.5                     | + 9.3                                        |
| Real Weekly Earnings<br>Av. 1946 - 100 (f)..... | Sept. 1     | 105.3         | + 1.3               | + 5.1                     | + 3.8                                        |
| Average Weekly Hours (e)....                    | Sept. 1     | 42.4          | + 1.2               | + 1.7                     | - 0.6                                        |
| Cost of Living<br>Av. 1935-39 - 100.....        | Oct. 1      | 162.2         | - 0.1               | + 1.6                     | + 4.3                                        |
| Man Working Days Lost by<br>Strikes.....        | October     | 69,000        | + 4.4               | -21.6                     | + 6.3                                        |
| Industrial Production<br>Av. 1935-39 - 100..... | September   | 187.1         | + 4.8               | + 1.6                     | + 1.8                                        |

(a) Estimated on basis of a one per cent sample of the population

(b) Based on firms of 15 or more workers in nine leading industries

(c) Registered with National Employment Service Offices.

(d) Ordinary claims only.

(e) Wage earners in manufacturing only.

(f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.





Fishing has always been a mainstay of the Maritime economy

N.F.B. Photo

## EMPLOYMENT CONDITIONS IN THE MARITIME REGION (INCLUDING NEWFOUNDLAND)

The over-all employment situation in the Maritime region currently shows some deterioration from that of last year, with unemployment amounting to slightly more than 5 per cent of the total labour force<sup>(1)</sup>. At November 17, 1949, job seekers registered with the National Employment Service, other than in Newfoundland offices, numbered 22,000, an increase of about 8,000 over last year at the same time. The situation, however, ranges from good to poor in various areas of the region. An analysis of employment conditions in the region must, therefore, draw attention to particular local areas such as Halifax, Saint John, Pictou-New Glasgow, north-eastern New Brunswick and Cape Breton, and a number of places in Newfoundland.

The usual seasonal decline in Maritime employment may be augmented somewhat this winter by production cuts due to the narrowing of Sterling area markets, some tightening of United States markets and competition in domestic markets from certain European products. At the same time, however, other domestic and United States markets for the products of Maritime industry remain strong, and the buoyant effects of such long-term projects as the marshlands reclamation scheme in Nova Scotia may soon be felt. In addition, the Newfoundland government's winter works program should help to mitigate the severity of the seasonal employment lull in that province.

Due to a somewhat greater availability of labour in Central Canada, there will be fewer employment opportunities for Maritime workers in Quebec and Ontario this winter. On the whole, it is probable that unemployment in the Maritimes during the coming months will be significantly higher than last winter.

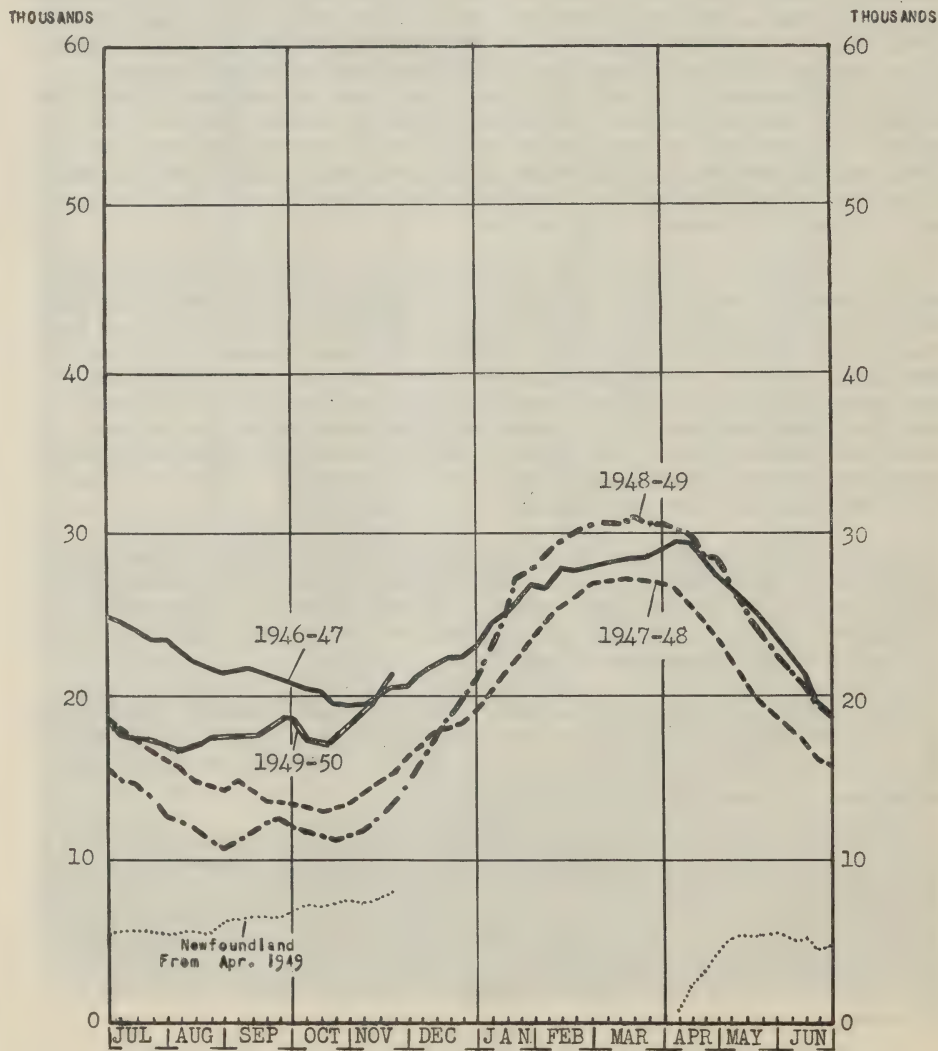
In the following paragraphs, the principal factors influencing the current employment situation are analyzed with a view to providing some background for an appraisal of the outlook for the coming winter.

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(1)

The 5 per cent unemployment ratio is an advance estimate for the Maritime region (including Newfoundland) of the D.B.S. quarterly Labour Force Survey figure for November. It should be remembered, in interpreting this figure, that it is based upon a definition of unemployment which excludes all those who have worked one hour or more in the survey week. Those seeking work through National Employment Service offices, on the other hand, include some persons presently working either part-time or full-time.

# UNPLACED APPLICANTS - MARITIME REGION 1946 TO DATE



### The Current Situation

Persons seeking work, according to registrations in National Employment Service offices in the Maritime provinces other than in Newfoundland, have been about 6,000 to 8,000 more numerous in recent weeks than during the same period last year. The increase of about 8,500 (or 63 per cent) over 1948, shown in the following table, is about average for all regions of Canada, in which there have been increases in unplaced applicants ranging from 18 per cent in British Columbia to 79 per cent in Quebec.

#### Unplaced Applicants - Maritime Region (exc. Newfoundland) (as of the third week in November)

|           | <u>Total</u> | <u>Male</u> | <u>Female</u> |
|-----------|--------------|-------------|---------------|
| 1946..... | 20,455       | 18,278      | 2,177         |
| 1947..... | 15,058       | 12,328      | 2,730         |
| 1948..... | 13,248       | 9,931       | 3,317         |
| 1949..... | 21,662       | 17,087      | 4,575         |

Unplaced applicants in Newfoundland reached a total of 8,096 at November 17, having continued a fairly steady rise after the initial rush of new registrations slackened off during the summer months. The rise may largely be attributed to reduced woods operations on the part of the two pulp and paper firms on the island. Hence, many workers were unable to follow the traditional practice of offsetting the seasonal slack in fishing with employment in the woods. In addition, the fisheries themselves have been spotty, and the normal construction season is now closing.

The picture throughout the other three provinces is by no means uniform. In the north-eastern New Brunswick centres of Newcastle, Edmundston, Campbellton and Bathurst, where unplaced applicants, although numerically small, have increased 150 to 300 per cent, the lack of woods activity is largely responsible. In Minto, too, where increased coal mining employment has not been sufficient to absorb all available labour, unemployment is relatively high. The same reduction in woods operations, with less activity in the Marysville textile mill, has resulted in a 300 per cent increase in applicants in the Fredericton area; while a 220 per cent increase in St. Stephen, and a 160 per cent increase in Yarmouth, N.S., are largely due to lay-offs of textile workers. In Kentville, too, cut-backs in textile production have augmented the higher number of applicants occasioned by a short active season in fruit processing plants.



Both Saint John, N.B., and Halifax are suffering from the lack of shipping and shipbuilding activity.

On the other hand, there have been only very slight increases in unplaced applicants in Charlottetown and Sydney, and decreases in the Inverness and Truro areas. In general, the Cape Breton and Pictou County steel and coal areas, steel users in Lunenburg and Amherst, the shoe and canoe manufacturers in Fredericton and secondary textiles firms in both Nova Scotia and New Brunswick are continuing to operate at a high level.

In Prince Edward Island, Nova Scotia and New Brunswick, the number of ordinary claims for unemployment insurance benefits during September was 70 per cent higher, at 10,500, than in 1948. Other claims constituted principally of those submitted by workers on short-time in coal mines and textile mills, were more than double the 1948 figure. Since so much employment in the region is not of an insurable nature, this increase merely confirms, at a considerably lower level, the rising trend of unemployment.

The significance of the greater number of unplaced applicants, however, is conditioned to some extent by an increase of 15,000, or 3.4 per cent, in the labour force of the older Maritime provinces between November, 1948, and November, 1949, to an estimated total of 457,000. Over the post-war period the labour force is estimated to have increased only about 3 per cent, since there was a decline from 1946 to 1947 from which recovery was made only during this last year. For all Canada over the same periods, the increases were about 6 and 2 per cent respectively. This increase of 15,000 in the Maritime labour force does not obscure the fact that in the older Maritime provinces the importance of unplaced applicants relative to the total labour force has risen from about 3.0 per cent in November of 1948 to 4.7 per cent at present.

The extent and incidence of some of the recent labour force shifts are shown in the following table. Figures on the labour force on total and agricultural employment, and on unemployment are based on the Labour Force Survey of the Dominion Bureau of Statistics. The sample used in this survey is not large enough at present to permit estimates to be made for each industry in the Maritime provinces. For the purpose of this table, approximations have been prepared by the Economics and Research Branch of the Department of Labour. These are based on projections of 1941 Decennial Census data by monthly employment indexes and other supplementary information.

# Approximate Distribution of the Labour Force

Maritime Provinces (excl. Newfoundland)

(Thousands of Workers)

| Class                              | Sept. 1<br>1949 | March 1<br>1949 | Sept. 1<br>1948 | Sept. 1<br>1946 |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Labour Force.....                  | 457             | 428             | 445             | 443             |
| Employed.....                      | 443             | 403             | 434             | 423             |
| Agriculture.....                   | 92              | 75              | 96              | 97              |
| Forestry.....                      | 12              | 26              | 16              | 18              |
| Fishing & Trapping.....            | 16              | 18              | 13              | 22              |
| Mining.....                        | 15              | 14              | 16              | 17              |
| Manufacturing.....                 | 78              | 71              | 75              | 68              |
| Construction.....                  | 37              | 18              | 37              | 30              |
| Transportation & Communication.... | 47              | 52              | 45              | 40              |
| Trade.....                         | 57              | 51              | 53              | 48              |
| Finance.....                       | 8               | 7               | 7               | 7               |
| Service.....                       | 81              | 75              | 76              | 76              |
| Unemployed.....                    | 14              | 25              | 11              | 20              |

## THE OUTLOOK

In appraising the employment outlook for the Maritime region, several considerations must be borne in mind. Of these, perhaps the most basic is the region's dependence upon the primary industries, the products of which are largely sold in world markets. With agriculture and fishing active throughout spring, summer and fall, while activity in mining and forestry increases during the winter months, it has been customary for workers to shift back and forth between these industries with relatively little inconvenience. Casual employment in construction often bridges the intervening slack periods. This arrangement has fostered the existence of a relatively large seasonal labour force.

Geographical position has led to extensive reliance on foreign markets as outlets for products of Maritime industries. Consequently, the economy of the region is sensitive to changes in conditions abroad, and these changes are quickly reflected in the activities of primary industries in the region.

Certain factors within the various provinces of the region are now, or soon will be, exerting an upward pressure on employment. Already under way is the extensive program of public works instituted by the Newfoundland government to relieve unemployment in that province during the coming winter. While this cannot be expected to restore the buoyant conditions of wartime activity to the province, it nevertheless should temporarily bolster the province's economic structure. In Nova Scotia, progress in the construction of the Canso bridge and in the broad marshlands reclamation program may be expected eventually to have buoyant effect on employment conditions there.

### Primary Industries

The agricultural labour force of the three older Maritime provinces comprises almost 20 per cent of the total labour force, a ratio exceeded only in the Prairies where it is 45 per cent. For the rest of Canada, the ratio is about 15 per cent.

Nevertheless, agriculture is relatively less important to the Maritimes than to other regions, except in Prince Edward Island. A large proportion of the occupied farm acreage in the Maritimes is at the subsistence level. Because of low productivity many farmers are forced to seek other employment, usually in fishing and logging, to augment their income. Even where good soil and modern methods have sustained or raised farm productivity, the geography of the region prohibits large-scale farming operations. The foregoing applies also to agriculture in Newfoundland.

While potatoes from Prince Edward Island and New Brunswick have well-established markets in central Canada, and are exported in smaller quantities to the United States, the West Indies and South America, the employment their production provides is small except during the short fall picking season. Similarly, Annapolis Valley apple growing is important directly to employment only during the harvest and processing periods. Dairying in the region requires a relatively small and stable labour force, but the output of this industry is not yet sufficient to satisfy even local demand.

Since the agricultural labour force of the region usually declines considerably during the slack season, with most of the displaced workers seeking employment in other industries or leaving the regional labour force entirely, no marked increase in unemployment among agricultural workers as such is expected during the coming winter. Rather, the level of activity in industries that usually provide alternative employment opportunities will largely determine the degree of unemployment in the region.



Employment in Maritime logging increased by over 100 per cent over the period October 1, 1948, to January 1, 1949, thus taking up much of the slack left when activity ceased in agriculture, fishing and construction. The current market outlook for products of the Maritime lumber and pulp industries, however, is discouraging since it is not expected that the United Kingdom will purchase either product in any quantity during 1950. It is already known that there will be no 1950 United Kingdom order for mine timber, and, as a result woods activity in the northeastern sections of New Brunswick in particular will be much curtailed. No long lumber orders are expected during the first half of the year. Pulp and paper mills now have substantial inventories of logs, and market conditions are uncertain, especially for some establishments in Newfoundland. Pulp cutting, therefore, will be light, and may be finished by Christmas. Ontario logging centres report that, despite reduced woods activity in that region, workers seeking winter logging employment are arriving from the Maritimes.

In the light of the foregoing, it would appear that employment in forestry occupations in the Maritimes region this coming winter will be relatively scarce, and unemployment considerably higher than last winter. In an effort to assist winter woods activity, many Maritime loggers have voluntarily accepted a reduction in wages from last year's level of \$5.00 to \$4.00 per day this winter. In addition, the New Brunswick government has legislated a minimum wage for loggers of \$3.50 a day, with another \$1.05 deductible for board, to protect workers in areas of unemployment from drastic wage cutting.

Winter employment in Maritime fisheries is not usually large, and since this year's catches have been spotty and income, therefore, lower than last year, more fishermen will likely be seeking seasonal employment in other industries this winter. Market prospects for Maritime fresh and frozen fish and fish products are presently moderately strong with little change likely in the immediate future. The market outlook for salted fish, however, is decidedly unfavourable. This is particularly true in the case of Newfoundland where most of the catch is salted and sold to Mediterranean countries whose international exchange difficulties are serious. The impact of these developments, however, are not likely to become significant until next spring and summer when the cod fishery becomes very active again.

Employment in mining, showing its usual seasonal increase as a result of winter coal stock-piling, has been given added impetus by the devaluation of the Canadian dollar and the United States' coal strike. This has been particularly apparent in the Minto area of New Brunswick, where mines have recently swung from general short-time to full-time operations. The limited number of industrial coal users who are equipped to switch from United States to Maritime coal, however,



and the termination of the United States coal strike before its effects became serious for Maritime and Quebec industry, likely mean that employment in coal mining will not increase appreciably, although it may continue at a relatively high level well into the winter. Weather conditions will also have some bearing on the level of winter coal mining employment.

While there are no indications that the Nova Scotia primary steel industry will reduce its requirements of iron ore from mines in Newfoundland, difficulty is foreseen by the Newfoundland iron mining industry in maintaining the level of shipments to Europe, which have accounted for about 50 per cent of total ore production in the past. Base metals mining operations in Newfoundland will be reduced to a minimum in December, with the closing of navigation at Botwood. Other types of mining in all four provinces will be seasonally inactive throughout the winter.

### Manufacturing Industries

The production of iron and steel and their products is estimated to provide roughly 12 per cent of manufacturing employment in the Maritimes. Much of this is in the production of primary iron and steel, and there are indications that this phase of the industry will continue to operate at or near capacity throughout the coming winter. Some steel users, such as stove, engine and tank manufacturers, are likely to feel the effects of the United States steel strike, but this will not be significant for the Maritime region. Steel shipbuilding is likely to be very quiet throughout the winter, since the Saint John Drydock Company has little work in sight now that repairs to H.M.C.S. Magnificent have been completed, and Halifax Shipyards are continuing their gradual reduction of staff. H.M.C. Dockyard, Halifax, with repair work for the R.C.N., is likely to maintain relatively stable employment. Prospects for smaller shipyards are not bright.

The Maritime lumber industry faces the prospect of difficult times if Sterling area markets cannot be improved or replaced. United States and domestic markets appear to be holding up, although improved production and merchandising methods have been, and will be, needed to meet competition from west coast producers. For this winter, the usual seasonal decline in sawmill and woodworking employment may be somewhat greater than last year. Uncertain markets may also discourage many smaller operators from logging for their own stockpiles, or at least reduce their activity in this field, thus leading to lower sawmill and woodworking employment during the late winter and spring.

The market outlook for newsprint remains good, as far as the

United States is concerned, although reduced purchases by Sterling area countries are expected. Exports of raw pulp to both United States and Sterling area markets, however, are expected to be much reduced. Accordingly, it is likely that employment in the pulp and paper industry will be slightly lower than it was last winter.

The Maritime textiles industry, usually entering its busiest season at this time of the year, is now slackening off instead, although conditions are by no means uniform. Lay-offs and short-time have occurred in primary and some secondary establishments, while other producers of secondary textiles continue to operate at capacity. While the effects on the industry of Sterling devaluation cannot yet be fully assessed, it is probable that the primary producers, at least, will meet increasing competition from British products, and Maritime operators explain current lay-offs in these terms. The devaluation of the Canadian dollar has increased the cost of equipment and materials imported from the United States, which will add to the market difficulties of textile producers. In view of market uncertainties, it is likely that the textiles industry in the Maritimes will provide somewhat less employment this winter than last.

The employment picture is also spotty for the food products industry in the Maritimes, a largely seasonal employer with a relatively short active period. A few fish processing and canning establishments may operate beyond the end of the year since some heavy catches have provided them with ample supplies of fish. The majority, however, have either completed their season's operations or, as in Prince Edward Island, have turned to meat canning because fish catches generally were poor. Activity in Newfoundland has been particularly light, with some plants remaining closed, but there are indications of a good herring season, which would provide considerable employment for fish handlers.

In fruit and vegetable processing, seasonal employment has been relatively light. Substantial barrel shipments of apples to the United Kingdom have left an insufficient supply of apples for Annapolis Valley processing plants, some of which did not open. The relatively short season and the fact that the majority of employees in this industry are female casual workers preclude the possibility of any significant effects on the employment situation generally. In the production of dairy products, operations are likely to continue at a high level well into the winter, as is the case with meat packing. It would appear likely that, on the whole, winter employment in the Maritime food products industry will be little changed from last year.

## Other Industries

The dollar value of construction contracts awarded in the three Maritime provinces during the first 9 months of 1949 has been, in total, about 19 per cent lower than for the comparable period of 1948; the figure for September, 1949, as compared to that for September, 1948, was about 25 per cent lower. Only for Prince Edward Island do the nine-month and September figures for 1949 show an increase over 1948, although there are indications that winter construction activity in the Cape Breton area will be the highest in many years. While the late fall permitted some contractors to finish construction work ahead of schedule, many others were enabled to close in buildings under construction, so that the level of indoor activity in the industry throughout the winter months may be fairly extensive. So great a proportion of construction in these provinces, however, has been road work and other outdoor projects, especially in New Brunswick, that the numbers released with the closing of the season will be very large, and total unemployment among construction workers in the region is likely to be higher than last year.

In Newfoundland, a provincial government works program was instituted on November 1, 1949, to relieve the substantial unemployment arising there, and it is proposed to continue this throughout the winter. Preparatory work on the construction of the Canso bridge and marshlands reclamation in Nova Scotia will also provide employment for some construction workers.

The transportation industry in the Maritimes usually shows a seasonal increase in employment during the winter months, largely due to the routing of export freight to Maritime ports. With the uncertainty of Sterling area markets, there may be a decline in the volume of this freight, but, except for water-front jobs, the level of winter railway employment is not likely to be appreciably affected. Relatively small numbers are employed during the winter months on outdoor work in public utilities operations, and the basic level of employment in that industry is likely to remain steady.

There are signs of a general slackening in the volume of business in wholesale and retail trade, and the early winter peak of employment in this industry may not be as high as last year. The usual post-Christmas employment slump, may be substantial, especially since the region's purchasing power is likely to be somewhat reduced by conditions during the winter. It seems probable, therefore, that employment in trade may be slightly lower this winter than last, and that there may be more workers released from the industry during the late winter and early spring.



### General Summary

The employment outlook this winter for the four Maritime provinces is more serious than it was last winter, when the number of workers registered with National Employment Service offices reached a peak of 31,000 or 7 per cent of the Maritime labour force. The picture varies considerably, however, between different industries and different areas.

Prospects for the continued high production of coal and primary iron and steel place the Cape Breton and Pictou County areas in a relatively favourable position for the coming winter months, and should also help the situation in the Minto area. Continuing high levels of production in many secondary manufacturing industries, including textiles, iron and steel and footwear, will help provide a steady winter employment base in the Truro, Amherst, Lunenburg and Fredericton areas. Indoor construction activity throughout the region is likely to remain at a fairly high level during the winter, although probably not as high as last year.

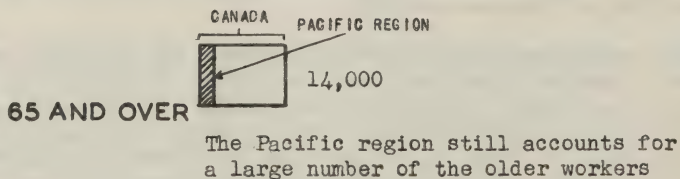
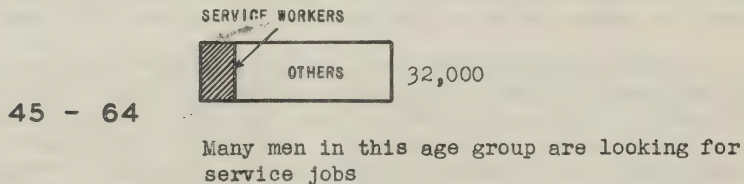
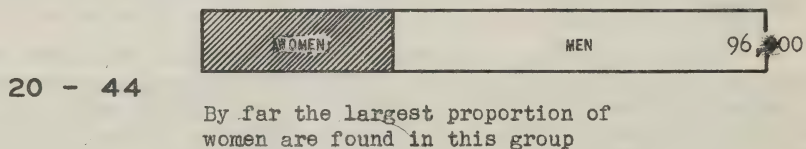
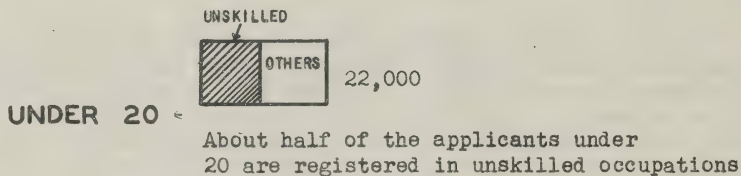
On the other hand, uncertain overseas markets will mean substantially reduced logging activity, affecting principally northeastern New Brunswick. Greatly reduced shipbuilding activity as well as a decline in the volume of winter shipping will continue to keep unemployment in Halifax and Saint John at relatively high levels. The growing intensity of British competition in the primary textile field may have an adverse affect in the Yarmouth, St. Stephen (Milltown) and Fredericton (Marysville) areas, while adding to unemployment in Saint John.

In Newfoundland, woods operations will likely be reduced this winter and employment in many secondary manufacturing firms will be lower as a result of increasing competition from mainland manufacturers. In addition, construction and most mining activity will be seasonally slack. Offsetting these developments will be the Provincial Governments' works program, which is expected to provide employment for about 10,000 workers for an average period of two months. Employment in the iron mines is stable at present, although prospects will depend upon the continued availability of European markets.

While unemployment this winter throughout the Maritime region is expected to be greater than last year, the change in P.E.I. will be slight. A more significant increase is anticipated in Nova Scotia, and in New Brunswick a considerably higher level of unemployment is foreseen, as would be the case for Newfoundland were the government's program not a factor in the situation. In the three older provinces, unplaced applicants may reach a peak this winter of about 40,000 to 45,000, or almost 10 per cent of the labour force.

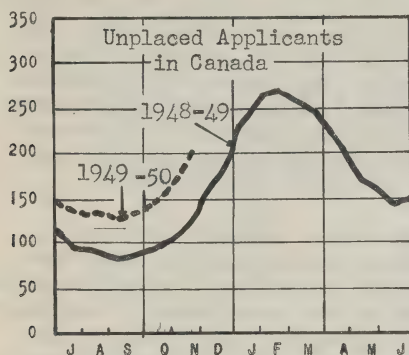


# AGE GROUPS OF UNPLACED APPLICANTS OCTOBER 27, 1949



# EMPLOYMENT SERVICE ACTIVITIES

Thousands



Only a moderate amount of unemployment resulted from the seasonal lay-offs up to the first of November. Workers released from agriculture, fishing, food plants, summer resorts and other seasonal industries moved into jobs in logging, mining, manufacturing, hotels and restaurants. Others found temporary employment in industries associated with the Christmas trade. Some, such as students and married women employed seasonally in food plants, withdrew from the labour market.

The increase in registrations at employment offices began in September and will probably continue until February. Most of the workers were directed to other employment during October, although at a slower rate than in September. The monthly rise in unplaced applicants jumped from 6,000 to 21,000. Nevertheless, this was still modest compared with the rise of 62,000 in January of 1949 when seasonal inactivity affected many industries.

Placement activity during most of October was extensive. While much of the hiring was for replacements, some expansion, mostly of a seasonal nature, was occurring; for example, in meat plants where the fall run of livestock was nearing its peak, in confectionary manufacturing firms working on Christmas orders, and in the Prairies coals mines receiving their winter orders. Logging, also, was seasonally increasing its work force but on a much-reduced scale from last year. Hiring had almost come to a standstill in agriculture.

Employers were demanding many more qualifications from workers as applicants became more numerous. This aggravated the problem of finding jobs for youths, older workers and physically handicapped persons. Educational requirements for youths were being raised to Grade X and XI in some centres and employment counsellors and school officials were encouraging "drop-outs" to return to school. As jobs lessened for the older and physically handicapped applicant, employment officials turned to more highly selective placement—matching the worker to the particular job where his abilities could be used to best advantage.

However, applicants also were being more selective when

accepting employment. This was particularly so in a number of the women's fields. The working conditions offered were often the deciding point in accepting work in the service trades. First-class hotels and restaurants maintained staffs without difficulty but second rate establishments were constantly in need of help. Few workers were interested in the "live-in" domestic jobs available. At the same time, because of the low wages offered, many openings for clerical help in banks and for stenographers remained unfilled, although the latter shortage was also due to the reluctance of employers to accept married women.

The employment market for professional persons was less active than in previous months. The record 1949 graduating class had been largely absorbed and openings now were scarce for "trainee" employees—those with formal education but little work experience. Immigrants generally fell into this "trainee" class since they had to become acquainted with Canadian methods and, consequently, their absorption into employment was slow. In the technical field, language difficulties often created an added handicap. Orders for fully-qualified pharmacists, architects, dieticians, electrical and civil engineers, however, were on file at Executive and Professional Offices. Current market conditions strengthened the demand for salesmen and cost accountants as greater emphasis was placed on sales promotion and increased efficiency.

Table 1—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

| Series                           | Average Weekly    |                |                   |
|----------------------------------|-------------------|----------------|-------------------|
|                                  | September<br>1949 | August<br>1949 | September<br>1948 |
| Applications. <sup>x</sup> ..... | 34,000            | 27,000         | 31,000            |
| Vacancies Notified.....          | 25,000            | 23,000         | 29,000            |
| Placements.....                  | 16,300            | 14,800         | 16,700            |
| Women.....                       | 4,700             |                | 4,400             |
| Veterans.....                    | 2,500             | 2,400          | 2,800             |
| Handicapped.....                 | 230               | 220            | 280               |
| Executive and Professional....   | 65                | 65             | 65                |

<sup>x</sup> Renewals not included.

# INDUSTRIAL ANALYSIS.....












- ▲ INDUSTRIAL LABOUR  
MARKET
- ▲ CURRENT LAY-OFFS IN  
MANUFACTURING INDUSTRIES



# INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE

AS AT AUGUST 20, 1949

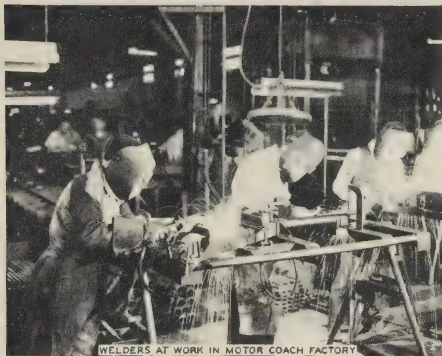
TOTAL LABOUR FORCE - 5,253,000

|                                       |                                                                                     |                        |
|---------------------------------------|-------------------------------------------------------------------------------------|------------------------|
| MANUFACTURING (1)                     |    | 1,386,000<br>or 26.4 % |
| AGRICULTURE                           |    | 1,235,000<br>or 23.5 % |
| SERVICES                              |    | 830,000<br>or 15.8 %   |
| TRADE                                 |    | 672,000<br>or 12.8 %   |
| TRANSPORTATION &<br>COMMUNICATIONS    |    | 373,000<br>or 7.1 %    |
| CONSTRUCTION                          |    | 362,000<br>or 6.9 %    |
| FINANCE, INSURANCE<br>and REAL ESTATE |    | 145,000<br>or 2.8 %    |
| MINING                                |  | 83,000<br>or 1.6 %     |
| FORESTRY                              |  | 43,000<br>or 0.8 %     |
| FISHING & TRAPPING                    |  | 26,000<br>or 0.5 %     |
| UNEMPLOYED                            |  | 98,000<br>or 1.9 %     |

(1) includes Public Utilities.

# INDUSTRIAL LABOUR MARKET

## MANUFACTURING



Divergent employment trends were apparent in the manufacturing industries in October. Some industries, such as meat packing and flour milling, were seasonally active. In other industries, lay-offs were taking place which involved considerable numbers of workers. On the whole, however, latest statistics show that the labour force in the industry has remained at approximately the same size as it was in 1948. The Dominion Bureau of Statistics index of manufacturing employment at September 1, 1949, was 208.8 (1926-100), as compared to 209.5 one year earlier.

During October, the number of lay-offs reported to the Department of Labour showed a marked increase. There has been a more pronounced seasonal pattern in employment this year, as well as a general drop in demand for many types of goods. Reductions in employment have been especially prominent in the textile and iron and steel industry groups. In addition, employment in many other companies has been put on a short-time basis.

The effect of industrial disputes was also felt in manufacturing employment in several cities in Ontario and Quebec. The strike of 5,400 workers in the General Motors plant in Oshawa, which began October 25, resulted in the laying-off of an additional 2,000 employees in feeder plants in St. Catharines and Windsor. Other large strikes in progress in October involved 925 rubber factory workers in Toronto, a strike-lock-out of 859 lithographers in Toronto, Hamilton, London, Ottawa and Montreal, and a strike of 202 wood products workers in Megantic, Quebec.

In contrast to the stability in employment in manufacturing as a whole, average weekly earnings have continued to rise in most industries. At September 1, 1949, the average for all manufacturing employees was \$44.26, as against \$41.46 at the same date in 1948. In several industries, the average was over the \$50 per week mark, including primary iron and steel (\$53.03), pulp and paper (\$56.43), and non-metallic mineral products (\$53.37).

## AGRICULTURE

With harvesting of late crops generally completed, employment in agriculture had passed its peak during October and a shift of workers out of the industry was under way. Few hirings are expected until spring.

A surplus of farm help developed in some regions during the month. In addition to the normal seasonal decline in employment opportunities in the industry, several other factors were important in this connection. Some of these were: the decline in employment opportunities in industries such as logging which absorb considerable numbers of off-season agricultural workers; entry of Displaced Persons and other immigrants into farm work; and the tendency of Prairie farmers to cut down on their livestock raising activities which provide more year-round work.

Organized movements of farm labour in connection with potato and apple harvests involved fewer persons this year. Last year, the potato harvest in the state of Maine employed some 6,000 Canadians from Quebec and New Brunswick. This year, local labour was available in greater volume in the States and only 1,300 pickers were sent from here. The duration of this year's employment was also shorter. A second potato movement involved the transfer of approximately 1,050 men to Prince Edward Island from the other Maritime provinces, as compared with 1,177 in 1948. Apple-picking in the Annapolis Valley this year was carried out by labour available within the province whereas, in former years, workers from other provinces participated. The intra-provincial movement in connection with this harvest involved some 200 workers.

## LOGGING



A "BUCKER" SAWING SPRUCE LOGS IN B.C. FOREST.

Employment in the logging industry in eastern Canada was expanding seasonally during the early Fall as cutting operations got under way in all provinces. It is expected that this season will be short in many areas with cutting done in December and hauling before the end of January.

Demand for men during October was not heavy and companies were hiring only the more experienced and capable men. Current reports from the Maritimes indicate a rather pessimistic outlook for the industry, as market conditions are going into the woods. In Quebec, cutting was in full swing during October but it was reported that



American companies near the border will not be hiring as many Canadian woodsmen as last year. Loggers from Quebec and the Maritimes were reported as moving into Ontario seeking work.

British Columbia logging operations continued seasonally active during October with employment conditions more stable after the settlement of the wage issue. A few camps were closing down due to wet weather or heavy inventories but no extensive shortages or surpluses of loggers were apparent. At the first of the month, there existed a slight surplus of applicants over vacancies (242 over 104), at National Employment Service offices.

## CONSTRUCTION

Construction of all types, railway, highway and building, was very active during October and employment in the industry was high. Good weather prevailed in most areas during the month with little time lost due to rain. In all provinces, contractors were working at top speed to complete their projects before the freeze-up.

Little difficulty was reported in filling labour requirements, although some cities reported shortages of skilled men, especially in the trowel trades. Small projects were absorbing unskilled men laid off from projects already completed, such as highway work.

As usual, employment will begin to slacken off during November but a fair amount of winter work is anticipated. Projects in view for 1950 indicate that the construction industry will remain one of the main sources of employment in the Canadian economy during the coming year.

## TRANSPORTATION

The Canadian shipping industry has recently become the subject of considerable concern as unemployment among merchant seamen in Halifax has become increasingly serious. Fewer and fewer ships are reported to be using Maritime ports, a condition which affects the whole economy of the eastern seaboard.

Due to lack of cargoes, 23 of the 118 vessels in the Canadian merchant fleet were tied up in port in mid-October. Commenting on this situation in the House of Commons, the Hon. Lionel Chevrier, Minister of Transport, stated that higher operating costs were the chief reason for the lack of freight. Other contributing factors mentioned by the



Minister were high initial construction costs, deterioration in freight rates and the exchange situation. Government subsidization has been suggested as a solution.

In an effort to reduce costs, shipowners are cutting their crews by six men. This decision was arrived at after a discussion between owners and officials of the Seafarers' International Union. Even with the cut in personnel, an average crew of 36 men will man Canadian ships, a higher number than carried on similar vessels of other nations.

## SERVICES



Labour shortages in the service occupations were eased during October as the seasonal demand for workers in the industry had passed its peak and employment opportunities in other industries declined. As a result many workers, including Displaced Persons who had completed their one-year contract in domestic work, were accepting service jobs.

Nevertheless, the latest statistics on the operations of the National Employment Service show a surplus of vacancies over applicants in some categories of

work in this industry for women. At September 29, 1949, there were 6,450 vacancies for women in domestic and personal service in Canada with 2,966 applicants. For waitresses, there were 1,733 vacancies with 1,603 applicants.

The following comments on the local employment situation in the area were received from local office managers of the National Employment Service:

Calgary, Alta.: "As usual, we are experiencing considerable difficulty in filling even a small percentage of orders for household help....The demand for help in restaurants and hotels has lessened considerably during the past month....A number of D.P.'s who have completed their contracts are applying for hotel and restaurant work."

Windsor, Ont.: "For the first time in years, more domestics were registered than orders and these orders are being filled rapidly. This situation is accounted for by the fact that many Displaced Persons have completed their year's contract and, not being able to find factory work, are willing to return to domestic work."

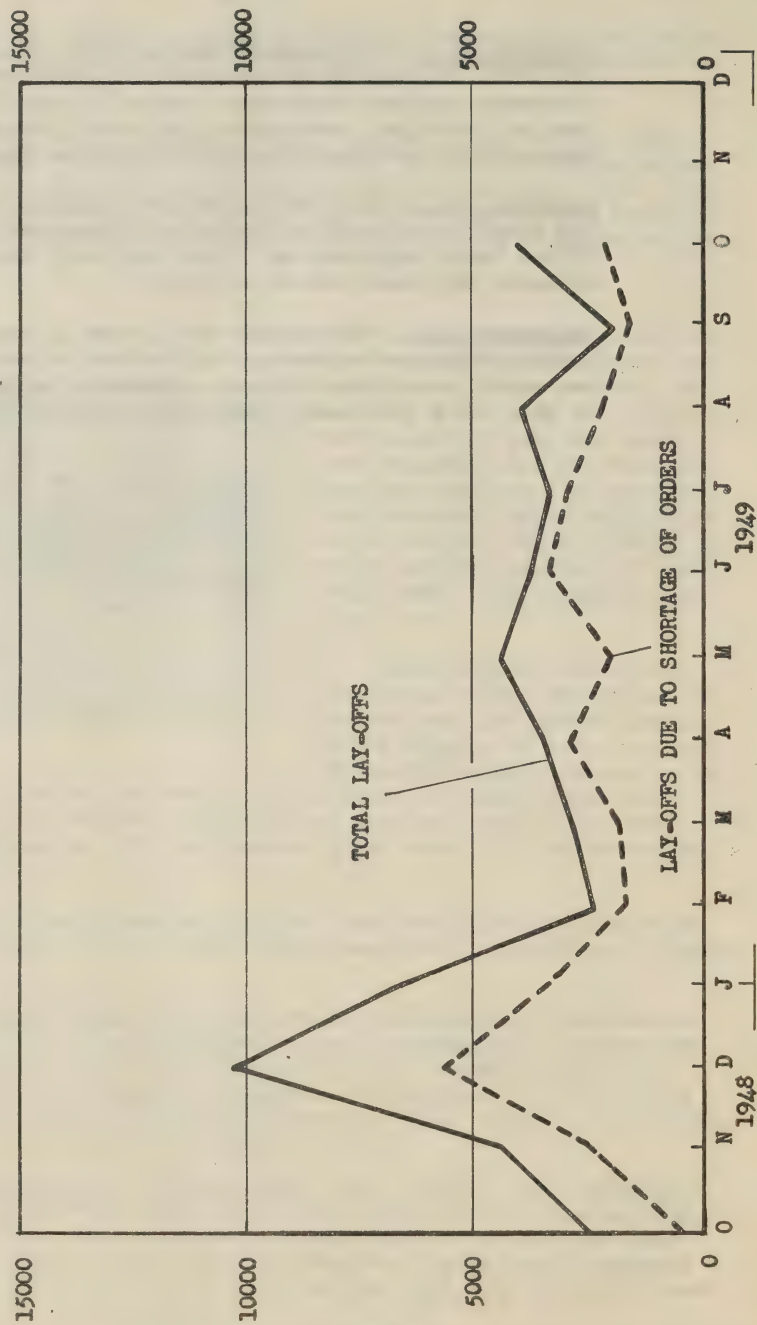
Victoria, B.C.: "The normal seasonal slump in opportunities for female employment was noticeable in October. Few establishments replaced employees leaving voluntarily and others such as laundries, restaurants, and retail stores found it necessary to have small lay-offs in various departments."

Hamilton, Ont.: "The acute situation regarding waitress help has eased up and most of the better class restaurants have filled their requirements. There are still many calls for domestic help that cannot be filled."

Vancouver, B.C.: "Restaurants still have a little difficulty getting top-grade waitresses but the end of the packing season should straighten this out. Domestic help still is hard to get. In a great many cases, wages are not suitable."

# LAY - OFFS IN MANUFACTURING INDUSTRIES

## OCTOBER 1, 1948 TO DATE



## CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Reported non-seasonal lay-offs showed an increase in October compared to the yearly low in September. Again the predominate factor influencing lay-offs was a shortage of orders, hinging on reduced exports and increased competition. During October, there were 500 more lay-offs due to shortage of orders than in September. Also numerically significant during the month were the lay-offs directly due to strikes.

Shortage of orders were largely the result of reduced markets and increased competition brought about by currency devaluations and lack of dollars in the Sterling area. One Maritime textile plant closed down completely, laying off 120 workers. Other non-seasonal lay-offs in the textile industry accounted for 900 workers. A Prairie pottery firm laid off 200 workers because of competition brought on by the devaluation of the pound Sterling. A paper products plant in the Maritimes laid off 116 workers because of a drop in exports to the Sterling area. An Ontario non-metallic mineral products firm completed a new \$1 million plant in 1948 but instead of increasing employment as was the intention, loss of export markets has forced this company to progressively lay off workers.

The majority of lay-offs due to strikes can be traced to an automotive strike in Ontario. This resulted in some 1,080 temporary lay-offs in an auto parts firm, whose pay-roll usually covers some 3,450 workers. The management has taken measures to provide temporary work for some of the employees in the hope that the automotive strike will soon be settled. Due to the United States steel strike, there has been only one instance of a lay-off; this involved some 40 workers in a secondary iron and steel industry.

The only notable lay-off because of production changes occurred in an Ontario truck plant. Shortage of materials was a negligible factor during the month. An Ontario textile plant temporarily laid off 200 workers to install new generators; lack of water power caused a lay-off of 70 men from a paper products plant, and a few food products workers in the Prairie region were released for a short time because of road conditions. However, none of these have meant any significant change in the general levels of employment in manufacturing, which continue high.



Table I--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Cause

| Cause of Lay-off        | October, 1949 <sup>(1)</sup> |          | September, 1949 |          | August, 1949 |          |
|-------------------------|------------------------------|----------|-----------------|----------|--------------|----------|
|                         | Number                       | Per Cent | Number          | Per Cent | Number       | Per Cent |
| Shortage of orders..... | 2,055                        | 51.3     | 1,560           | 84.4     | 2,256        | 57.3     |
| Shortage of materials.. | 62                           | 1.5      | 13              | 0.7      | -            | -        |
| Industrial disputes.... | 1,120                        | 28.1     | -               | -        | -            | -        |
| Production changes..... | 259                          | 6.4      | 31              | 1.7      | 1,050        | 26.7     |
| Out of business.....    | 230                          | 5.7      | -               | -        | -            | -        |
| Other.....              | 281                          | 7.0      | 244             | 13.2     | 629          | 16.0     |
| Total.....              | 4,007                        | 100.0    | 1,848           | 100.0    | 3,935        | 100.0    |

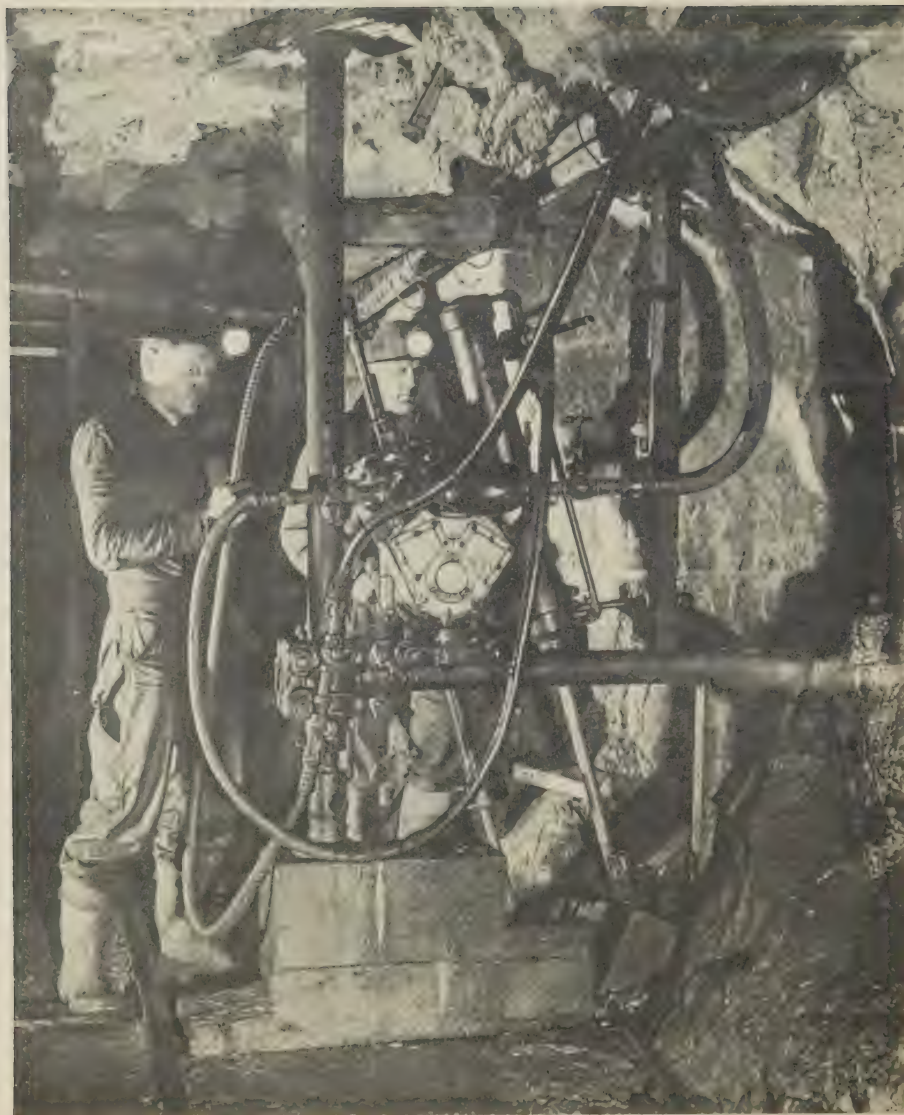
(1) Preliminary figures

Table II--Non-seasonal Lay-offs Reported by National Employment Service  
Offices in Manufacturing Industries, by Industry

| Industry                              | October, 1949 |          | September, 1949 |          | August, 1949 |          |
|---------------------------------------|---------------|----------|-----------------|----------|--------------|----------|
|                                       | Number        | Per Cent | Number          | Per Cent | Number       | Per Cent |
| Food and Beverages.....               | 194           | 4.8      | 55              | 3.0      | 39           | 1.0      |
| Tobacco Products.....                 | -             | -        | -               | -        | 165          | 4.2      |
| Rubber Products.....                  | 100           | 2.5      | -               | -        | -            | -        |
| Leather Products.....                 | 115           | 2.8      | 25              | 1.4      | 110          | 2.8      |
| Textile Products.....                 | 565           | 14.1     | 196             | 10.6     | 330          | 8.4      |
| Clothing.....                         | 333           | 8.3      | 48              | 2.6      | 35           | 0.9      |
| Wood Products.....                    | 59            | 1.5      | 12              | 0.6      | 345          | 8.8      |
| Paper Products.....                   | 211           | 5.3      | 50              | 2.7      | 300          | 7.6      |
| Printing and Publishing.              | -             | -        | -               | -        | -            | -        |
| Iron and Steel Products.              | 535           | 13.4     | 402             | 21.8     | 793          | 20.1     |
| Transportation Equipment              | 1,321         | 33.0     | 300             | 16.2     | 1,269        | 32.2     |
| Non-ferrous Metals.....               | -             | -        | 350             | 18.9     | 303          | 7.7      |
| Electrical Apparatus....              | 20            | 0.5      | 155             | 8.4      | 14           | 0.4      |
| Non-Metallic Mineral<br>Products..... | 467           | 11.6     | 129             | 7.0      | 95           | 2.4      |
| Chemical Products.....                | -             | -        | 126             | 6.8      | 137          | 3.5      |
| Miscellaneous.....                    | 87            | 2.2      | -               | -        | -            | -        |
| Total.....                            | 4,007         | 100.0    | 1,848           | 100.0    | 3,935        | 100.0    |

# REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR  
MARKET
- ▲ LABOUR MARKET RATING  
OF COMMUNITIES
- ▲ OUTLOOK FOR  
INDUSTRIAL EXPANSION, 1950



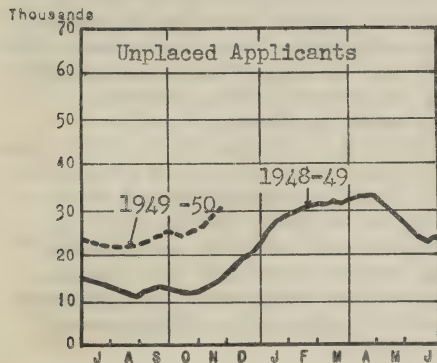
In Quebec, hardrock mining is active at this time of the year

N.F.B. Photo



# REGIONAL LABOUR MARKET

## MARITIME



the numbers of unemployed workers mounted.

It should be noted that although stability was evident on the whole during the month, it was stability at a much higher level of unemployment than prevailed one year ago.

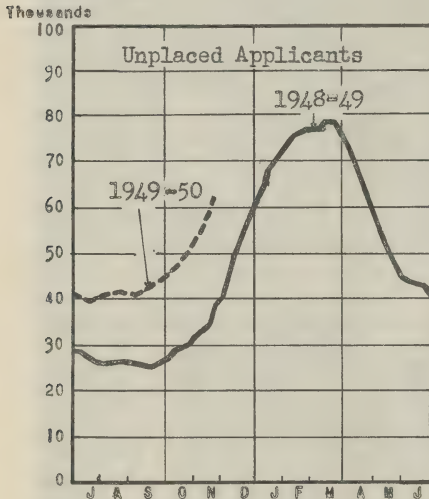
The outlook for employment this winter in the logging industry was dull, owing to the devaluation of the pound and poor markets for lumber, pit props and pulpwood. Emphasis has been to date on the probable loss of the United Kingdom market—newspaper reports have indicated that the United Kingdom will buy all lumber requirements from Scandinavian sources—but the industry is hopeful that such is not the case. Local demand for lumber is still firm and the American market is good, but a reduction in overseas orders would affect the level of woods employment this winter. Wages are also considerably lower than last year—in New Brunswick, woodsmen were offered \$3.50 per day plus board as compared with \$5.00 last winter. Pulp cutting, especially in Newfoundland, has been greatly curtailed as stock piles are high. It was reported also that many Canadian woodsmen employed in the State of Maine have been replaced by Americans.

Fishing was over for the season in some areas, and the fish processing plants affected were completing their packs. Remaining areas reported poor catches, but hopes of better runs shortly. Interest in herring fishing was great since the United States market remained steady, and the Canadian industry benefits from the exchange differential. The lobster season was scheduled to open shortly, and fishermen hoped for good catches to boost their year's earnings to last year's level.



Heavy manufacturing plants, other than shipbuilding, reported steady operations. The steel plant at Sydney continued at capacity. The United States steel strike has not affected production since operations were at capacity in any case, but, if prolonged, may create a scarcity of machinery which the corporation imports from the United States. In lighter industries, conditions varied. Shoe factories reported steady production. The primary and secondary textiles industry showed signs of market difficulties in several areas, however, where lay-offs and short-time operations were in effect.

## QUEBEC



Fall employment trends were fully in evidence during October. Agricultural activity was declining, woods operations were under way and the usual trek of displaced seasonal workers to mining areas had started.

Manufacturing industries were showing extreme caution as a result of devaluation, and, on the whole have been inclined to adopt a "wait and see" attitude. The revision of exchange rates has brought complex problems of readjustment in both domestic and export markets.

Textile mills were operating below capacity; devaluation has precipitated problems of readjustment in marketing and production for this industry in particular.

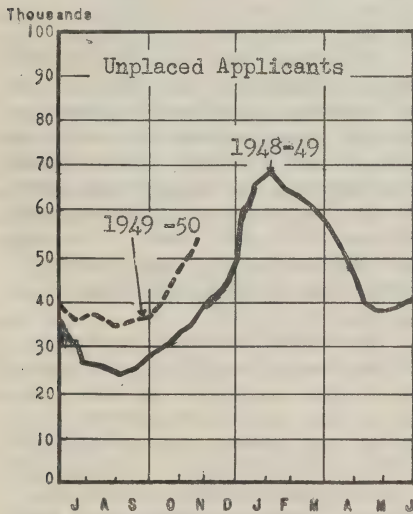
Clothing factories were working steadily on Fall orders. Shoe factories were still operating below capacity, and also tanneries. Heavy industry did not report any ill effects from the United States steel strike during the month, but inventories were nearing an end and widespread production cut-backs loomed if the shut-down continued.

The outlook for logging employment this winter remained none too bright. All companies which planned to operate this season had started cutting and it was expected that most of them will have finished this year's cut by the end of December. Across the United States border, it was evident that American wood companies will not employ many Canadian woodsmen during the coming months as local woods labour is adequate for the reduced scale of operations.

As employment in agriculture declines and since woods operations are not taking up the slack, mining centres have been invaded by seasonal workers looking for jobs. Many of these men are very suitable for underground work but mining operators have become reluctant to hire them, owing to the extremely high turnover amongst them in previous years.

The construction industry continued at a high level of employment, but some slackening of activity was noted in outlying districts. Contractors will probably concentrate chiefly on inside jobs from now on.

## ONTARIO



Developments in the employment situation during October would have followed the normal trend for this time of year had there not been several large industrial disputes. Seasonal declines were under way in agriculture and the food processing industries. Activity in construction was well maintained. Any increase in unplaced applicants during the month, apart from normal seasonal causes, was accounted for chiefly by a strike in the automobile industry with consequent lay-offs in its feeder plants, and strikes in the rubber tire and the printing industries.

The coal and steel strikes in the United States have not had any marked repercussions on Ontario manufacturing industries during October. Wholesale dealers in steel report fairly substantial inventories of American steel but the coal situation is not too good. Supplies of industrial coal are brought in largely by water transportation, and considerable stocks have been built up during the summer months. It is now unlikely, however, that further bituminous coal will be available before lake navigation closes, and if stocks are insufficient for the winter additional supplies will have to be brought in by rail at higher cost. The lake shipping industry reported that many ships were still tied up as a result of the coal and steel strikes, and a surplus of experienced seamen existed.

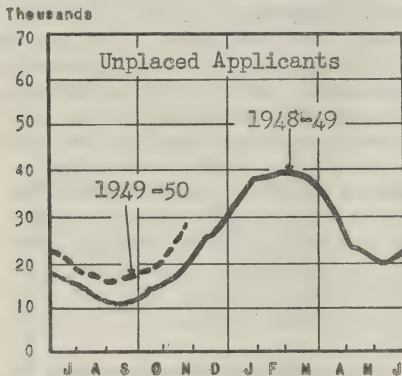
Most manufacturing plants were operating on fairly normal production schedules for the time of year. Several iron and steel man-

ufacturing firms continued on short-time operation, however, awaiting further developments in overseas markets. Most textile plants were in full production; the market had improved, since buyers were replacing stocks which had been cut in anticipation of price reductions this fall.

The employment of women in manufacturing industries has shown a definitely declining trend. In heavy industries women have been almost entirely replaced by men except in certain light operations demanding deftness. Even in textiles, there has been a tendency to replace women with men, especially in weaving operations and for night shifts.

London--Many applicants for jobs have been coming to this area from other cities where conditions are not as favourable. This has somewhat distorted employment conditions for the local labour force.

## PRAIRIE



Employment was holding up fairly well during October, despite the usual seasonal decline in general activity. Agricultural activity was slight in Manitoba and Saskatchewan, but in Alberta the sugar beet harvest was in progress. Construction continued at a good level. The seasonal upswing in the meat packing industry was gaining momentum.

The sudden arrival of wintry weather about the middle of October, with 20-inch snowfalls in some areas, held up the sugar beet harvest temporarily, but it was soon resumed. The snow also brought a cattle feed-

ing problem for many Alberta ranchers. In regard to cattle feeding, this year's small crop of oats and barley will mean a shortage of feed this winter unless ranchers purchase their coarse grain supplies shortly; in spite of warnings from the Provincial Department of Agriculture, farmers have been shipping coarse grains to markets in eastern Canada and the United States.

As a result of poor wheat crops, aid to Alberta farmers under the Prairie Farm Assistance Act will probably be the highest on record. It is estimated that about 25,000 farmers, in 1,250 townships will be in receipt of aid because of crop failures.

The annual fall movement of cattle to market plus a shortage of stock cars, was taxing facilities at Alberta stockyards to the ex-



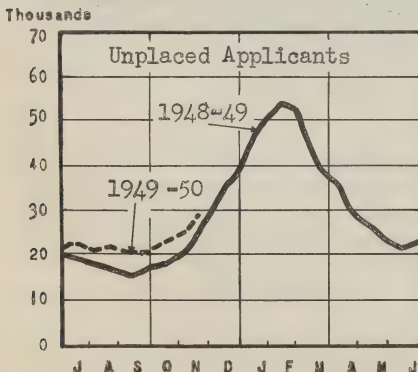
tent that embargoes on shipments to stockyards were necessary. Stockyards reported the busiest season in history. The market for fat cattle was excellent and shipments to eastern Canada and the United States were heavy. Meat packing plants throughout the region were generally active and seasonal labour demands were reported in all areas.

Logging operations were about to start. Sufficient manpower to meet requirements was available locally in all areas. In the Lake-head logging area, most operators planned a reduced scale of operations in comparison with last year's level except in the Fort Frances district. This varying situation reflects the strength of the final markets involved--the United States market for raw pulpwood has fallen decidedly, due to competition from American west coast producers, and while United States demand for newsprint, sulphide and its by-products remains strong, most Ontario mills report large stockpiles of pulpwood on hand.

In the construction industry, contractors were not increasing crews since weather conditions often change suddenly at this time of year, and therefore demand for either skilled construction tradesmen or labourers was slight. Some seasonal lay-offs were under way but would not become general until adverse weather forced a general curtailment of outside work.

Steep Rock--The iron mines reported a further decrease in labour turnover, which is now at the lowest point on record. Productivity was high. The housing program was progressing well which was considered to be an important factor in the productivity campaign. The United States steel strike has reduced shipments during October.

## PACIFIC



The employment situation during October was turning towards winter conditions. Seasonal activity was drawing to a close as agricultural, fishing and placer mining ended operations for the year. On the other hand, the logging and lumbering industry continued active and construction employment, though tapering off, remained exceptionally high for the time of year.

Logging operations were active except in the Prince George district where rains have been heavy. With the settlement of wage issues, more stability is evident in the working



force; turnover will probably be low from now until the Christmas shutdown. The outlook for the coming months is fairly bright in this industry and weather permitting, employment will be substantial. The existing surplus of skills may increase somewhat, however. The cellulose logging project in the Prince Rupert area is scheduled to be under way by the first of the new year; such a sizeable project will probably absorb labour from other areas as well.

Sawmills were active and shingle mills were in full production. The plywood market situation improved. Altogether a wave of optimism swept through the industry and substantial hirings took place during the month. The industry was looking forward to a period of intensified production, but there was no indication as to how long such conditions will last. A surplus of mill labour was available at all points, however, although key skills were still scarce. The pulp and paper industry remained fully active, and only minor labour demands were registered.

The employment level in the base metal mining industry was high. Expansion continued, with new prospects and developments reported frequently. Employment should be sustained as long as the base metals market retains its present firmness. Gold mining employment was at a good level and was expected to continue so throughout the winter months.

In the fishing industry, activity was declining and workers were seeking alternative employment.

Despite the downward trend in construction, a greater volume of work continued during October than anticipated, due to the exceptionally good weather. Highway construction especially was being pushed to accomplish as much as possible before the snow comes.

## LABOUR MARKET RATING OF COMMUNITIES

In the following table thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at November 1, 1949, at October 1, 1949, and at November 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I—Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for October and November of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

| Area                                   | Ratio<br>Nov.1<br>1949 | Group Rating  |               |               |
|----------------------------------------|------------------------|---------------|---------------|---------------|
|                                        |                        | Nov.1<br>1949 | Oct.1<br>1949 | Nov.1<br>1948 |
| <u>Population of 100,000 and over</u>  |                        |               |               |               |
| Quebec.....                            | 97                     | III           | III           | III           |
| Vancouver.....                         | 82                     | III           | III           | III           |
| Windsor.....                           | 57                     | III           | IV            | III           |
| Winnipeg.....                          | 46                     | IV            | IV            | IV            |
| Calgary.....                           | 44                     | IV            | IV            | IV            |
| Hamilton.....                          | 41                     | IV            | IV            | IV            |
| Victoria.....                          | 40                     | IV            | IV            | IV            |
| Ottawa.....                            | 36                     | IV            | IV            | IV            |
| Montreal.....                          | 29                     | IV            | IV            | IV            |
| Edmonton.....                          | 26                     | IV            | IV            | IV            |
| Toronto.....                           | 23                     | IV            | IV            | IV            |
| <u>Population of 50,000 to 100,000</u> |                        |               |               |               |
| Sydney.....                            | 117                    | III           | III           | III           |
| Saint John.....                        | 99                     | III           | III           | III           |
| Halifax.....                           | 70                     | III           | III           | III           |
| Fort William - Port Arthur.....        | 61                     | III           | IV            | IV            |
| London.....                            | 30                     | IV            | IV            | IV            |
| Regina.....                            | 27                     | IV            | IV            | IV            |
| Kitchener-Waterloo.....                | 8                      | IV            | IV            | IV            |
| <u>Population of 25,000 to 50,000</u>  |                        |               |               |               |
| Shawinigan Falls.....                  | 169                    | II            | III           | III           |
| Hull.....                              | 119                    | III           | III           | III           |
| Sherbrooke.....                        | 108                    | III           | III           | III           |
| Chicoutimi.....                        | 95                     | III           | III           | III           |
| Brantford.....                         | 93                     | III           | III           | IV            |
| Three Rivers.....                      | 66                     | III           | III           | IV            |
| Oshawa.....                            | 59                     | III           | III           | III           |
| St. Catharines.....                    | 41                     | IV            | IV            | III           |
| Kingston.....                          | 40                     | IV            | IV            | IV            |
| Peterborough.....                      | 38                     | IV            | IV            | IV            |
| Sault Ste. Marie.....                  | 30                     | IV            | IV            | IV            |
| Saskatoon.....                         | 29                     | IV            | IV            | IV            |
| Sudbury.....                           | 17                     | IV            | IV            | IV            |
| <u>Population of under 25,000</u>      |                        |               |               |               |
| Sorel.....                             | 268                    | II            | II            | III           |
| Welland.....                           | 137                    | III           | III           | III           |
| Valleyfield.....                       | 119                    | III           | III           | III           |
| Pictou - New Glasgow.....              | 115                    | III           | III           | III           |
| Amherst.....                           | 91                     | III           | III           | IV            |
| Niagara Falls.....                     | 32                     | IV            | IV            | IV            |
| Trail.....                             | 22                     | IV            | IV            | IV            |



## OUTLOOK FOR INDUSTRIAL EXPANSION, 1950



While it is too soon to estimate the total number of job openings resulting from industrial expansion in 1950, it seems reasonable to assume it will be less than in 1948 or 1949. This does not mean that industrial expansion in Canada is losing all significance in relation to employment, but rather that the tempo is slowing down after the post-war boom.

Already, at least 3,000 new job openings are expected to result from industrial expansion in 1950. The tremendous expansion of the Prairie oil industry, and the great potential of the Quebec-Labrador iron ore deposits will mean an important addition to Canadian manufacturing industry.

In 1950, a major industry, General Motors Diesel Ltd. will be established at London, Ontario. This plant will commence the manufacture of diesel-electric locomotives by mid-1950 and will employ about 1,000 workers when operating at capacity. The initial plant calls for an investment of \$5 million.

In the pulp and paper industry, the new \$12 million H. R. MacMillan Export Company Ltd. plant on Vancouver Island will commence operations about June, 1950 and will employ about 200 workers. The Columbia Cellulose Company, Limited is expected to commence operations in the new plant at Prince Rupert not later than the spring of 1951, and about 350 plant workers will be required besides logging crews.

The new \$1 million Visking Limited plant at Lindsay, Ontario will commence operations early in 1950 and will employ 200 workers when operating at capacity. Another company which will also manufacture cellulose tubing for meat products, the Dominion Viscose Products Limited will open a new \$750,000 plant at Ajax, Ontario, early in 1950; this plant will employ 125 workers at capacity.



The Hudson Bay Mining & Smelting Co. Limited has invested a total of \$6 million for new plants and additions at Flin Flon, Manitoba. A new fuming plant and an addition to the zinc plant will be completed late in 1950 and operations will require an additional 140 men.

INCREASED MANUFACTURING EMPLOYMENT  
AS A RESULT OF PLANT EXPANSION (1)

- Fourth Quarter 1949 -

| Area             | Name of Company                               | Industry                 | Number of New Employees |
|------------------|-----------------------------------------------|--------------------------|-------------------------|
| <u>Maritimes</u> |                                               |                          |                         |
| Pictou           | Pictou Cutlery Ltd.                           | Non-Ferrous Metal        | 25                      |
| <u>Quebec</u>    |                                               |                          |                         |
| Drummondville    | Canadian Celanese Co. Ltd.                    | Textiles                 | 175                     |
| Granby           | Racine Mfg. Co. Ltd.                          | Iron and Steel           | 20                      |
|                  | The Esmond Mills Ltd.                         | Textiles                 | 30                      |
| Montreal         | Sir George Godfrey and Partners (Canada) Ltd. | Transportation Equipment | 20                      |
|                  | Gestetner (Canada) Ltd.                       | Miscellaneous            | 5                       |
| <u>Ontario</u>   |                                               |                          |                         |
| Cobalt           | New Cross Chemical Co. Ltd.                   | Chemicals                | 250                     |
| Cornwall         | Canadian Industries Ltd.                      | Chemicals                | 6                       |
| Dresden          | National Hardware Specialties Ltd.            | Iron and Steel           | 40                      |
| Kitchener        | Smiles'n Chuckles Ltd.                        | Food and Beverages       | 25                      |
| London           | General Steel Wares Ltd.                      | Iron and Steel           | 75                      |
| North Bay        | Great Northern Woods Co. Ltd.                 | Wood Products            | 55                      |
| Toronto          | McCorquodale & Blades (Canada) Ltd.           | Paper Products           | 15                      |
|                  | Moffats Ltd.                                  | Iron and Steel           | 50                      |
|                  | Pendrith Machinery Co. Ltd.                   | Iron and Steel           | 25                      |
|                  | The Stanley Manufacturing Company Ltd.        | Miscellaneous            | 40                      |
|                  | E. & A. Zeppa                                 | Food and Beverages       | 35                      |
| <u>Prairies</u>  |                                               |                          |                         |
| Edmonton         | Sparling-Davis Co. Ltd.                       | Iron and Steel           | 100                     |

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.



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